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United Nations Conference on Trade and Development

TRADE AND DEVELOPMENT BOARD

Eighteenth session

SUMMARY RECORD OF THE 504TH MEETING

held at the Palais des Nations, Geneva,
on Wednesday, 6 September 1978, at 11 a.m.

President: Mr. CASTELLANOS (Venezuela)

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Fifth session of the United Nations Conference on Trade and Development: objectives, provisional agenda, preparatory work and organization (continued)

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GE.78-69135

The meeting rose at 1.40 p.m.

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United Nations Conference on Trade and Development

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GE.78-69166

5. Mr. GIL (Venezuela) said that the work of UNCTAD V should be so organized as to avoid excessive dispersal of topics. If negotiations were fragmented, the developing countries would be handicapped, because their delegations were small, and matters on a study could not be properly related to each other. Questions should be classified in four broad categories, the first corresponding to draft resolutions agenda item 4 (TD/B/L.507); the second covering trade and development problems relating to specific subjects such as commodities, manufactures, transfer of technology, etc.; the third comprising the international monetary and financial system and the transfer of resources for development; while the fourth would cover all the remaining questions, including particularly economic co-operation among developing countries and special measures in favour of the least developed, land-locked or island countries.

6. Mr. PIPA (Romania) said that UNCTAD V would be held at a critical moment. The world economic, monetary and financial crisis had adverse effects on all countries and all international trade and co-operation, but obviously the developing countries were the main victims. Their external debt had never been so large and they were encountering new protectionist barriers in the Western markets, which limited their export earnings and thus compelled them to reduce their imports considerably.

7. International efforts made in recent years to remedy the situation had not yielded the results hoped for. Negotiations on such vital matters as commodity trade, the removal of barriers to trade, the transfer of resources and development financing, the transfer of technology or industrialization, had either been unsuccessful or had been postponed or were still in a state of deadlock. Moreover, unilateral action taken by some developed countries to boost their economy, disregarding the closer and closer interdependence of all countries, had merely aggravated economic difficulties, particularly in the third world.

8. The crisis was basically due to an inequitable international economic system, and UNCTAD V should help to create greater awareness in the international community of the fact that the serious problems before mankind were closely linked with the establishment of the new international economic order and the promotion of new international relations based on equality, national independence and mutual advantage.

9. For the Romanian delegation, the preparations for the Conference comprised several aspects. First, the basic political objective should be defined in order to give meaning at once to preparing work, the organizing and the conducting of the conference. Secondly, all negotiations in UNCTAD should be expedited so that practical decisions could be adopted at the fifth session on the basis of their results. Thirdly, all States should endeavour to translate the principles, declarations and objectives adopted so far into practical measures.

10. The basic objective of the fifth session should be to increase the political effectiveness of UNCTAD as part of an all-embracing effort to build a new international economic order. To that end, UNCTAD should use all the political and institutional means available to it. The political will of every State was crystallized in an international framework, particularly since the world could not indefinitely remain divided into a rich minority and a poor majority, and since owing to their interdependence the industrialized countries could no longer solve their problems without the participation of the developing countries.

11. In the circumstances, it should be the main task of UNCTAD V to take stock of the situation with regard to the implementation of the decisions adopted at the fourth session, to reaffirm them and take new decisions to settle the serious problems which had emerged in recent years, and to promote progress in the drafting of rules of conduct for States in various areas of international economic relations. Those decisions might also be important contributions to the preparations for the special session of the United Nations General Assembly in 1980 on the new international economic order and the international development strategy for the period 1980-1990.

12. For those tasks, the Conference should have an agenda that would make it possible to give priority to action on the most important matters: international monetary trade, removal of obstacles to trade, financing of development, transfer of technology, and economic co-operation between developing countries. Everything should be done to ensure that UNCTAD emerges from the fifth session stronger, with increased prestige and authority and more dynamic means of action. His delegation therefore approved the guidelines defined by the Secretary-General of UNCTAD.

13. The entire UNCTAD machinery should be mobilized to prepare for the fifth session. The Board's current session was particularly important, because it had to adopt firm decisions on the organization of negotiations for the establishment of the Common Fund, the specific aim of negotiations on commodities, the creation of the conditions necessary for the success of the Conference's work on the transfer of technology, and the drafting of international rules of conduct on the transfer of technology, and the drafting of international conventions concerning restrictive business practices and multimodal international transport.

14. UNCTAD V was part of the major international negotiations which, as the Secretary-General of the United Nations had emphasized at the recent session of the Economic and Social Council, absolutely had to succeed. For that purpose, the political will of all States would be required, because under-development had deep roots in the unequal and inequitable relations between States and called for a political solution.

15. Mr. DASS (Trinidad and Tobago) briefly summarized the measures adopted after the Second World War to reorganize monetary and trade relations, resulting in the establishment of UNCTAD and the opening of a dialogue which had recently led to specific negotiations. The draft provisional agenda for UNCTAD V (TD/B/L.507) contained an inventory of the negotiations in progress, which in many areas (restrictive business practices, technology, maritime transport, Integrated Programme for Commodities) had reached a decisive stage and called for a new political impetus which UNCTAD V should impart to it.

(e) PROGRESS IN THE IMPLEMENTATION OF:

(i) SPECIAL MEASURES IN FAVOUR OF THE LEAST DEVELOPED AMONG THE DEVELOPING COUNTRIES (TD/B/501 and Add.1; TD/B/719; E/1979/86, parts 1 and 2)

(ii) SPECIFIC ACTION RELATED TO THE PARTICULAR NEEDS AND PROBLEMS OF DEVELOPING ISLAND COUNTRIES (TD/B/507; TD/B/AC.21/24; TD/B/705)

(iii) SPECIFIC ACTION RELATED TO THE PARTICULAR NEEDS AND PROBLEMS OF LAND-LOCKED DEVELOPING COUNTRIES (agenda item 6 (e)) (continued) (TD/B/706; E/1979/71, parts 1 and 2)

29. Mr. ODHNOFF (Sweden) speaking on behalf of the delegations of Finland, Norway, and Sweden, said it was generally recognized that the economic situation was particularly severe for the poorest countries. During the past four years their growth rate had averaged 0.5 per cent as compared with over 5 per cent for the middle-income countries. The import bill for oil and manufactures had increased dramatically at the very time when the net resource flows from developed countries and multilateral institutions were stagnating. The Governments of the Nordic countries felt that that trend should be reversed through evolving a more effective response to the long-term development needs of the least developed countries, particularly the most seriously affected. In their opinion the poorest countries were not in need of UNCTAD resolutions, which was not reflected in their low current industrial planning capacity. But it was not acceptable that that lack should be eroded through lack of UNCTAD resources. Co-operatively-minded developing countries must contribute as should in any event revenue-rich industrial planned Parties.

30. The total external debts of the least developed countries represented some 30 to 40 per cent of their gross national product. It was therefore no exaggeration to say that the debt burden of the developing countries constituted a serious international problem. The Swedish Government had unilaterally announced its decision to write off the total stock of its ODA credits to the least developed and most seriously affected countries, and that decision had taken effect as of 1 July 1978. The Finnish Government had decided in late 1977 to write off, subject to parliamentary approval, all outstanding development credits within its bilateral assistance programme to the least developed countries and other countries in a comparable position. Norway had always given all its development assistance in exact form. Many other developed countries had recently taken similar decisions, which should be welcomed. In that respect the Ministerial meeting of the Board held in March 1979 might be considered as relatively successful.

31. Miss BEUCK (United States of America) said that her Government had taken a number of concrete policy measures, both in its bilateral development assistance programme and in its general international economic policies, to ensure that particular attention was given to the concerns of the least developed countries.

32. The United States had steadily increased both the quality and quantity of its official bilateral development assistance. During the current fiscal year, its bilateral development assistance to the least developed countries would

30. It had, moreover, maintained economic relations with several of those countries for many years, starting with the mutual exchange of goods and extending to other fields such as technical, economic and industrial co-operation. An important element with regard to mobilizing national resources in developing countries was the activity of experts seconded to some countries and the nationals from least developed countries admitted to the German Democratic Republic for vocational training in its factories. The Democratic Republic was also involved in establishing industries for the local processing of raw materials and was prepared to purchase products manufactured in those factories.

31. Its trade and economic relations with other States were based as a rule on intergovernmental agreements (most of them long-term ones with an average validity of five years) which favoured stability and continuity. In recent years those relations had been expanded by the conclusion of new agreements with more of the least developed countries. Priority measures taken by his country with regard to co-operation with those countries had consisted in particular of assigning engineers, pilots or other experts to them to set up enterprises and organize services. It had supplied some countries with means of transport and agricultural machines on favourable terms. It was also endeavouring to support the sale of the products of those countries. The activities of joint intergovernmental committees, economic commissions and others might also be regarded as a contribution to strengthening their co-operation.

32. The German Democratic Republic also provided assistance in the form of training for national cadres from the least developed countries. Under the auspices of its Government and of UNIDO, four international training courses had been held at scientific institutions in 1970 and 1971. One third of the participants had come from the least-developed countries.

33. Mr. ZAVOICKY (Czechoslovakia) said that the great difficulties faced by the least developed among the developing countries were due to their serious economic backwardness, inherited from their colonial past and the adverse consequences of the present domination in the capitalist world economy. Market instability, price fluctuations, inflation, protectionism and the continuing crisis of the international monetary system were particularly hard on those countries whose economies were the least developed. In order to achieve a real improvement in their economic situation, those countries must strengthen their national sovereignty and build up their national economy, particularly by expanding the public sector and mobilizing all their resources effectively. Measures in favour of the least developed countries should reflect those requirements and appropriately combine short-term and long-term measures.

34. Although the socialist countries were not to blame for the problems of the least developed countries, Czechoslovakia was expanding all forms of assistance in its economic relations with those countries, and it recognized the need for special attention to and international support for their development. It had taken appropriate measures in all sectors of its co-operation with them. During the past year, trade between Czechoslovakia and the developing countries had been

the most dynamic sector of its foreign trade as a whole. That was especially true of trade with the least developed countries; with Ethiopia, Guinea, Ghana, Afghanistan and Bangladesh in particular, it had established stable long-term co-operation based on the principles of mutual advantage, equality and mutual respect, by means of long-term agreements on trade, credit and scientific and technical co-operation. In that way, Czechoslovakia had concluded long-term trade agreements with 13 of the least developed countries, and long-term credit agreements with 11 such countries, to the amount of some 170 million. Under the terms of those agreements, which were very advantageous for its partners, Czechoslovakia supplied capital goods and equipment, including technological documentation, and sent out experts to help in construction, in starting up production, and in training local personnel. The agreements provided for credit repayment in the form of goods from the borrowing countries. In 1970, the number of Czechoslovak experts sent to the least developed countries had increased, as had the number of trainees in Czechoslovakia under nine bilateral scientific and technical co-operation agreements. Czechoslovakia had again recently increased its generalized system of preferences; customs duties had been reduced by 50 per cent for the developing countries and had been abolished entirely for the least developed among them.

43. Mr. ALULA (Ethiopia) supported the United States representative's proposal to include the question of the least developed among the developing countries as a separate item in the agenda of UNCTAD V, since the problems of those countries were not identical with those of the island, land-locked and most seriously affected developing countries.

44. The Board at each of its meetings should review the implementation of the various recommendations, resolutions, joint conclusions and other decisions taken in various bodies for the benefit of the least developed countries, and should do so systematically, inter alia by analysing the extent to which the developed countries, United Nations agencies and the secretariats had carried out the tasks assigned to them by organs of those organizations. The Board, in its resolution 85 (IX), had requested the working bodies to consider the problems of the least developed countries and to make concrete proposals in regard to them. During the past five years, however, the Division of the UNCTAD secretariat had done nothing for the benefit of those countries and had referred them entirely to the special programme, which was not supposed to formulate concrete proposals in the various fields of interest to the least advanced countries, such as commodities, financing and transfer of technology. The Board should look closely into the matter in order to determine responsibility for those shortcomings and request the Secretary-General of UNCTAD to see to it that the Divisions of the UNCTAD secretariat did their duty pursuant to resolution 85 (IX) and, in particular, prepared clear studies and formulated concrete proposals in favour of the least developed countries, for the fifth session of the Conference.

45. Ethiopia, which was among the least developed countries, had enacted legislation to improve the lot of its people by various means: agrarian reform, new agricultural methods aimed at increasing exports of traditional and

non-traditional products, and the progressive substitution of imported consumer goods. However, international financial assistance was required in order to complement the considerable efforts made by Ethiopia itself. Moreover, Ethiopia's own efforts to promote its exports would be nullified if Ethiopia was denied access to the markets of the developed countries on account of their tariff and non-tariff barriers to imports.

46. In that connexion, the developed countries should put into effect the commitments they had accepted under paragraph 6 of the Tokyo Declaration for the benefit of the least developed countries, and remove tariff and non-tariff barriers to the latter countries' exports. They should refrain, in the multilateral trade negotiations, from requiring those countries to submit lists of products. In any case, imports from the least developed countries posed no threat to the economies of the developed countries.

47. The Ethiopian delegation appealed to the developed countries to give due attention to the legal framework and to the code now being negotiated within GATT, and to give effect to paragraph 6 of the Tokyo Declaration, since otherwise the Declaration would be nothing but another slogan. If the developed countries did not wish to provide the benefits in question, they would do better to say so openly. The benefits conferred on the least developed countries would also promote the interests of other developing countries. A break-through would be made, and in the long run the developing countries as a whole would benefit thereby.

48. The interdependence of trade and finance had been thoroughly analysed. What the UNCTAD secretariat should look into closely was the means of preventing erosion of the purchasing power of the developing countries' export earnings because of inflation and currency devaluations in the developed countries, for example, on the lines of the European Economic Community's STABEX system.

49. Mr. TRAORE (Mali) said that he was disquieted by the poor efforts made to solve the problems of the least developed countries since at UNCTAD IV the developed countries had unanimously undertaken to promote the development of the 31 least advanced countries. The laborious negotiations of the two sessions of the Intergovernmental Group on the Least Developed Countries had produced negligible results. At the Group's second session, in July 1978, the developed countries had systematically refused to establish an international crash programme aimed at enabling the least advanced countries to overcome their deep-rooted structural problems. They had also rejected any notion of doubling the volume of assistance to the least advanced countries by 1980 and the possibility of an automatic transfer of resources to those countries. That refusal showed the lack of a political will to honour a commitment entered into at UNCTAD IV. The same applied to the resolution adopted at the Board's ninth special session in March 1978 on the subject of the least developed countries as well as to the specific provisions in paragraph 6 of the Tokyo Declaration in favour of those countries.

50. The least developed countries realized the importance of their own endeavours and were making heroic efforts to free themselves from poverty; but their efforts were cancelled out by an international situation dominated by inflation and economic stagnation. It was high time that the international community did its duty and established a vigorous programme of special measures for the benefit of the least developed countries in order to reverse the present trend. It should have no hesitation about doubling the volume of aid to those countries when large sums were being spent daily on arms.

51. The argument based on the low absorption capacity of the least developed countries was a good example of wrong thinking. Those countries' needs were so great that any amount of assistance, on whatever scale, could swiftly be used up for development purposes.

52. Mali, whose capital was 1,500 km from the nearest port, also shared the problems of land-locked developing countries, including those of transport costs. Moreover, during the past seven years the economic situation had been further aggravated by drought. The Malian delegation thanked the few developed countries which had agreed to cancel the debts contracted by Mali - a gesture which it hoped would set an example. It hoped too, that the Board would see to it at the current session that UNCTAD V would be able to set up specific and effective machinery capable of dealing once and for all with the serious problems of the least developed among the developing countries and those among them which were land-locked.

53. Mr. HENZE (Federal Republic of Germany), speaking on behalf of the member countries of the European Economic Community, said that the Community and its member countries realized the extent of the development problems facing the least developed countries. Most of the indicators accepted at international level (economic growth rate, development of manufacturing industries, share of world trade, illiteracy, etc.) showed that those countries were truly at a disadvantage. The Community countries, moreover, had always recognized the need to look into specific measures to deal with the particular problems faced by a number of island or land-locked developing countries.

54. The policies and measures of the Community member countries had been set forth in some detail at the second session of the Intergovernmental Group on the Least Developed Countries (TD/B/719). The Community and its member States were the main source of assistance to the least developed among the developing countries, having provided 52 per cent of the total bilateral and multilateral assistance from the countries members of the Committee for Development Assistance (CDA) of the Organization for Economic Co-operation and Development (OECD) between 1974 and 1976, and they strove to adapt their forms of assistance to the needs of the poorest of the developing countries.

55. The Lomé Convention granted preferential treatment in various fields, to half of its 56 beneficiaries, 19 of whom were on the United Nations list of least developed among developing countries and a number of island and land-locked countries. The least developed beneficiary countries, which represented 40 per cent of the total population of the African, Caribbean and Pacific States (ACP),

received over 60 per cent of the total financial resources. Moreover, the system of export earnings stabilization favoured the least developed, land-locked or island ACP States; the special provisions related to the financing of micro projects allowed for the establishment of activities which, particularly in the least developed countries, paved the way for subsequent larger-scale activity; and the provisions governing the financing of larger-scale projects enabled developing countries to participate in joint financing without relinquishing over-all financial control, along lines which were also of interest for the least developed countries. All these provisions, and other special measures, were being studied afresh with the States partners in the negotiations relating to the second Lomé Convention.

56. Outside the framework of the Lomé Convention, the Community's member countries were continuing to improve the operation of the generalized system of preferences so that it would be of greater benefit to the least developed countries; they had taken the initiative of launching joint measures with their non-governmental organizations which would bring broad benefits to the least developed countries, and they were continuing to devote a large part of their food aid to the latter as well as to other poor countries.

57. Many of the Community's member countries were implementing their own complementary policies in some of these fields. Several had announced measures for retrospective adjustment of debt servicing in respect of debts contracted by the poorer of the developing countries under the heading of official development assistance.

58. An increased over-all effort was undoubtedly required of all parties, but it was necessary to bear in mind the necessity for defining priorities according to particular needs rather than simply renewing appeals for measures relating to economic relations as a whole with particular categories of countries. The points to be considered should include the following: the reasons why seven of the principal least developed among developing countries had come to achieve in the 1970s a more rapid economic growth than any other; definition of real and specific trade outlets which might exist in certain cases; intensification of research into ways and means of improving administration and management techniques in providing assistance - an essential complement to assistance efforts in many of the least developed countries; transport and communications; and research into methods of harnessing new renewable energy sources.

59. Mr. GIL (Venezuela) said that his delegation was concerned about the situation of the least developed countries, which were those most seriously affected by the world economic crisis. It had in mind in particular the Sahel countries, and it deemed it a matter of urgency to take immediate and effective steps to draw up a special programme for them, since the problems to be faced were essentially of a structural nature and could not be overcome by isolated and short-term measures. Those special measures should constitute a whole and should include concrete measures at the international level aimed at promoting domestic action. The very grave situation in those countries called for the most speedy action.

60. The report of the second session of the Intergovernmental Group on the Least Developed Countries (TD/B/712) pointed out that the volume of assistance provided to the least developed countries by the industrialized nations, with a few exceptions, had not increased since 1977 and in some cases had even diminished. It also indicated that the future prospects for those countries were even bleaker. The entire international community, therefore, had the responsibility of seeking a solution to the problems of those countries, and all its members should contribute, as far as they possibly could, to the assistance furnished. The industrialized nations must of course make a special effort, and in that connexion, the Venezuelan delegation deplored the attitude adopted by the majority of the developed countries which, at the second session of the Intergovernmental Group, had refused to take concrete measures from the present time until the end of the decade in favour of the least developed among the developing countries. It also shared the concern expressed by the developing countries with regard to the hardening of the policies of co-operation of the industrialized nations towards the least developed countries.

The meeting rose at 5.40 p.m.

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United Nations Conference on Trade and Development

The meeting was called to order at 3.45 p.m.

FIFTH SESSION OF THE UNITED NATIONS CONFERENCE ON TRADE AND DEVELOPMENT: OBJECTIVES, PROVISIONAL AGENDA, PREPARATORY WORK AND ORGANIZATION (agenda item 4) (TD/B/L.507 and Add.1) (continued)

1. Mr. QUIAZON (Philippines) said that his delegation largely shared the views expressed by the Secretary-General of UNCTAD concerning the objectives of the fifth session of the Conference (UNCTAD V), which would have a threefold task: to evaluate, consolidate and build. UNCTAD V should in fact be an occasion to review the results achieved, to build on them and to initiate changes in response to emerging concerns and developments in the global economy. The draft provisional agenda (TD/B/L.507) adequately reflected those concepts. It should be selective and should concentrate on well-defined issues, since UNCTAD had already demonstrated its capabilities as a centre for harmonizing the policies of Governments and regional groups.

2. His delegation was pleased that the Integrated Programme for Commodities had found a prominent place on the agenda, for the restructuring of international commodity trade was a major element in the establishment of the new international economic order. The centre-piece of the Programme was the establishment of the Common Fund, on which agreement should be rapidly reached. The necessary political will appeared to have been shown at recent meetings, at which the importance attached to the Integrated Programme by the Group of 77 had also been recognized. The Philippine Government reiterated its pledge to the common fund and was gratified that other countries, developing as well as developed, had made similar pledges.

3. Another vital question rightly included in the agenda of UNCTAD V was that of rising protectionist pressures. The dynamic transformation of the economies of the developing countries, which was geared to industrialization, called for a sustained expansion of markets in the developed countries, an expansion currently rendered impossible by the protectionist trends that were emerging in those countries. As the World Bank stated in its latest report, those trends were of profound concern, and his delegation hoped that global action to combat them would consolidate the gains achieved by increasing economic co-operation.

4. The emphasis in the provisional agenda on interrelationship of problems in the areas of trade, money and finance and related problems of development clearly showed a significant evolution in the role of UNCTAD from concerns relating to trade policies for development towards consideration of arrangements or measures to promote longer-term structural changes in the world economy.

5. His delegation fully shared the views of the Secretary-General of UNCTAD on the vital role of economic co-operation among developing countries and on the principle of self-reliance in the new international economic order. The developing countries were continually seeking to renew and consolidate their system of co-operation and they required the support of their developed partners for that purpose. The Association of South-East Asian Nations (ASEAN) provided a telling

example of co-operation among developing countries. Its members were carrying out co-operative programmes in many fields (trade, industry, agriculture, forestry, finance, transport, etc.) and were ready to share their experience with other countries. His delegation would like UNCTAD to place greater emphasis on economic co-operation among developing countries, and hoped for much from UNCTAD V in that connexion.

6. The problems of the least developed countries were of such critical proportions that they should be included as a separate item in the agenda for the fifth session.

7. The Philippine Government was particularly happy to act as host to the forthcoming Conference since it was aware of the historic significance of the occasion. By its invitation, it had hoped once again to show its deep commitment to UNCTAD as the main forum for the discussion, solution and negotiation of problems affecting the developing countries. In collaboration with the UNCTAD secretariat, his Government would make all the necessary practical arrangements to contribute to the success of the Conference. But all participants would also have to show the political will to attain the objectives laid down and to promote the establishment of the new international economic order, which had been defined by the President of the Philippines at the Ministerial Meeting of the Group of 77 (Manila, 1976) as a tranquil and orderly world in which the wealth and the power it conferred would not indefinitely be concentrated in the hands of a few but should be shared progressively among all.

OTHER PARTICULAR MATTERS IN THE FIELD OF TRADE AND DEVELOPMENT (agenda item 6) (continued)

(c) PROGRESS IN THE IMPLEMENTATION OF:

(i) SPECIAL MEASURES IN FAVOUR OF THE LEAST DEVELOPED AMONG THE DEVELOPING COUNTRIES (TD/B/601 and Add.1, TD/B/719; E/1978/66, parts I and II)

8. Mr. AHSAN (Bangladesh), speaking on behalf of the Group of 77, said that there had been increasing recognition that general policy measures were not sufficient to overcome the structural difficulties facing the least developed countries. A variety of special measures in favour of those countries had been adopted by the General Assembly, the Economic and Social Council, other United Nations organs and the specialized agencies, but they had been ineffective and the situation of those countries had not improved. Their per capita GDP had grown more slowly in the 1970s than in the previous decade, and in many of them it had declined between 1970 and 1977. The average growth rate of 0.6 per cent contrasted with a rate of 2.7 per cent for the developing countries as a whole during the same period, but the latter figure itself was below the 3.5 per cent called for in the International Development Strategy. Other economic indicators confirmed that the economic situation of the least developed countries during the Second Development Decade had been extremely disappointing. The minor improvement in the flow of concessional financial assistance had been completely offset by lower export receipts. In fact, the total foreign exchange availabilities of those countries in real

per capita terms had remained unchanged since the mid-1960s. The developed countries and the international organizations should therefore take radical action in the form of a crash programme to overcome the deep-rooted structural problems facing the least developed countries.

9. Despite the decisions taken by the international community in various forums and in particular at UNCTAD IV, the level of assistance to these countries had declined in 1976 and probably levelled off in 1977, a trend which, if it were to continue, would have a very serious impact on their growth prospects. Indeed, had the countries of the Development Aid Committee (DAC) of the Organization for Economic Co-operation and Development (OECD) achieved the 0.7 per cent target in 1976, official development assistance to the least developed countries would have attained a level of about $5 billion, plus a further $1 billion had the socialist countries of eastern Europe also reached their target; in point of fact, however, only $2.2 billion had been contributed. Moreover, if the developed countries were to provide concessional assistance representing a share of their GNP as large as that provided by the members of the Organization of Petroleum Exporting Countries, the flow of assistance would exceed $14 billion.

10. The Meeting of Multilateral and Bilateral Financial and Technical Assistance Institutions with Representatives of the Least Developed Countries had in October 1977 recommended that donors, in co-operation with the least developed countries, should actively seek ways to increase the flow of development assistance to these countries effectively and substantially, and the Intergovernmental Group on the Least Developed Countries had, in July 1978, noted that concern and the target of doubling the flow of assistance by 1980.

11. The arguments by the representatives of donor institutions that the flow of assistance to the least developed countries could not be expanded because of the lack of absorptive capacity were not convincing. The assistance programmes in those countries should in fact help expand their capacity to utilize aid, and donor institutions should provide more flexible types of financing, improve aid administration and give greater attention to promising development opportunities. The Intergovernmental Meeting had made other major recommendations to promote the progress of the least developed countries, such as assistance on a 100 per cent grant basis, total untying of aid, the adoption of assistance criteria which took the special needs fully into account, financing of local and recurring costs, and provision for offsetting the effects of inflation on the total costs of projects and programmes.

12. There was an urgent need to reverse the declining economic trend in the least developed countries by adopting, as the Intergovernmental Group had recommended, a substantial new programme of action for the 1980s at UNCTAD V. The Group of 77 therefore requested the Board to call upon the developed countries and the multilateral and bilateral financing institutions to implement the decisions and recommendations of the Intergovernmental Group and of the donor and recipient meeting immediately.

13. The Intergovernmental Group had requested the Secretary-General of UNCTAD to prepare a document outlining the proposed programme of action and to carry out a number of basic studies. It had also recommended that the Board should ask the Secretary-General of UNCTAD to convene a high-level expert group to consider the results of those studies and to make recommendations. The Group of 77 strongly believed that the above efforts were absolutely necessary to reverse the current trend and to speed up the rate of growth in the least developed countries.

14. The attitude of the developed countries in the multilateral trade negotiations had hardly been positive, despite the commitments made by the international community in paragraph 6 of the Tokyo Declaration in favour of the least developed countries. The Board should call upon the developed countries participating in those negotiations to give effect to the provision of that paragraph and to remove all tariffs and non-tariff barriers on imports from the least developed countries, in accordance with paragraph 16 of UNCTAD resolution 98 (IV).

15. The Board should also endorse the recommendations adopted by the Intergovernmental Group on the Least Developed Countries (resolution 4 (II)), and request the Secretary-General of UNCTAD to convene a new donor-recipient meeting after UNCTAD V and a new meeting of the Intergovernmental Group within three years with the terms of reference set forth in Board resolution 119 (XIV). The Group of 77 asked that immediate action should be taken on those recommendations.

16. Mr. SEMICHASTNY (Union of Soviet Socialist Republics) said that relations between the Soviet Union and the least developed countries had evolved in accordance with UNCTAD recommendations and decisions, to the extent, of course, to which the latter took the essential features of the socialist economic system into account.

17. In their Joint Statement at UNCTAD IV (TD/211), the socialist countries had described the most important measures they were applying in their relations with the least developed among the developing countries. Like the other socialist countries, the Soviet Union had established friendly relations and genuine co-operation with those countries, had concluded long-term trade and economic agreements and had set up well-structured consultation and negotiation machinery to deal with current problems.

18. In 1977, the total volume of the Soviet Union's trade with the least developed countries had been 2.4 times the 1970 total. His country had already concluded technological and scientific co-operation agreements with 20 African and Asian countries belonging to that category. USSR aid was intended to develop their national economies as a means of strengthening their economic independence.

19. In Afghanistan, for example, USSR assistance had resulted in the construction of 110 enterprises and plants whose productions in 1977 had accounted for 56 per cent of the total output in the State sector and for about 31 per cent of the country's entire industrial output. In Africa, the complex built at Kindia (Guinea) with Soviet aid had produced more than one-half the output of the State sector in 1977

and 12 per cent of the country's total industrial production. Ethiopia, Mali, Nepal, Uganda, the United Republic of Tanzania and other countries were also receiving Soviet assistance in the industrial field.

20. A distinctive feature of industrial collaboration between the Soviet Union and the least developed countries was that the Soviet side did not share in the property, management or profits of the industrial enterprises which it had helped set up. The Soviet Union imported part of the output of the enterprises established, where that was mutually advantageous, and thus helped diversify the exports of the least developed countries in question.

21. The Soviet Union assisted those countries in the exploitation of their natural resources, the development of their agriculture and fisheries, the training of national personnel and the establishment of a national health service.

22. The reservations made and explanations given by the Soviet Union when the recommendations of the Meeting of Multilateral and Bilateral Financial and Technical Assistance Institutions with Representatives of the Least Developed Countries (TD/B/681, para. 75) and of the Intergovernmental Group on the Least Developed Countries (TD/B/719, para. 150) were adopted, remained applicable.

23. Mr. CHAUDHURI (Bangladesh) suggested that the UNCTAD secretariat should comprise a separate division dealing with the question of the least developed among the developing countries, because their particular needs required special action by the international community, and UNCTAD, as the focal point for such a programme of action, should be adequately equipped to undertake and implement such measures.

24. The Intergovernmental Group on the Least Developed Countries had recommended the preparation of a new programme of action for the 1980s for those countries. The implementation of its decisions and recommendations called for concentrated and sustained work within UNCTAD's organizational machinery.

25. He supported the proposal that the question of the least developed among the developing countries should be included as a separate item in the agenda for UNCTAD V.

INSTITUTIONAL, ORGANIZATIONAL, ADMINISTRATIVE AND RELATED MATTERS (agenda item 7) (continued):

(c) REVISION OF THE RULES OF PROCEDURE OF THE BOARD AND ITS MAIN COMMITTEES (TD/B/706)

26. The PRESIDENT drew attention to the draft single set of rules of procedure applicable to all the main Committees of the Board prepared by the UNCTAD secretariat on the basis of the revised rules of procedure of the Trade and Development Board (TD/B/706). In the absence of any objection, he would take it that the Board adopted those draft rules of procedure.

27. It was so decided.

28. The PRESIDENT, referring to rule 1 of the rules of procedure of the main Committees that the Board had just adopted, which concerned the number of regular sessions to be held by the Committees, reminded members that, by its decision 143 (XVI), the Board had established a system of consultations between the Secretary-General of UNCTAD and the representatives of the regional groups with a view to seeking their advice in order to enable him to determine any adjustments needed in the calendar of meetings, and had also decided that the rules of procedure of the Committees concerning the dates of their sessions should be interpreted in the light of that decision.

(k) RATIONALIZATION OF THE STRUCTURE OF THE PERMANENT MACHINERY OF UNCTAD (TD/B/622 and Corr.1)

29. Mrs. BRAVO-ACEVEDO (Mexico) said it was essential and urgent to make the permanent machinery of UNCTAD flexible, practical and modern, as a means of strengthening its functions and increasing its effectiveness to ensure the thorough preparation of meetings and substantial progress on the questions under discussion in the context of a rejuvenated United Nations system. The new machinery should be geared mainly to the establishment of the new international economic order.

30. The UNCTAD secretariat had submitted a number of proposals for the rationalization of the structure of the Committees and their subsidiary organs and for the improvement of systems of consultation and negotiation (TD/B/622) which should be studied in depth in conjunction with other proposals to be made at UNCTAD V. It would be for the Conference to draw up guidelines which would facilitate the task of rationalizing the Board.

31. Mr. ALULA (Ethiopia), speaking on behalf of the Group of 77, said that it had decided to study the question of the rationalization of the structure of the permanent machinery of UNCTAD on the basis of relevant UNCTAD secretariat documents, Board decision 143 (XVI), Conference resolution 90 (IV) and General Assembly resolution 32/197. He emphasized the importance of UNCTAD which, at the time of its establishment, had been the only General Assembly organ to study in detail the problems of the economic development of developing countries. UNCTAD had played a major role in questioning the principles governing economic relations among members of the international community.

32. Those principles, adopted at a time when most of the developing countries were not yet free and in the preparation of which those countries had not participated, were discriminatory and one-sided. For instance, the conventions on shipping, drawn up by the developed maritime nations, were meant to benefit only the shipowners and not the shippers, whence the difficulties encountered by the developing countries, which had to pay the insurance that was built into freight rates in addition to normal insurance premiums for their exports. UNCTAD's calling in question of principles considered unjust by the developing countries had led to the elaboration of new principles, such as the establishment of a new international economic order, the Charter of the Economic Rights and Duties of States, and other instruments. At the present time, because of its universal nature, UNCTAD was considered the appropriate organ to tackle the task of

restructuring the economic relations between rich and poor countries in order to make them more just and equitable.

33. The Group of 77, while accepting the idea that the study of that extremely important question should be deferred to UNCTAD V considered that, in order to facilitate agreement, it would be useful for the members of the Board to hold consultations, particularly on the ways in which UNCTAD could play a more dynamic and outward-looking role as a negotiating body of the General Assembly. He would submit a draft resolution to that effect.

34. The PRESIDENT suggested, without prejudice to the continuation of the consultations and work of members of the Board, that the Board should defer detailed consideration of the question to UNCTAD V.

35. It was so decided.

OTHER BUSINESS (agenda item 8):

(a) DECISIONS OF THE COMMITTEE ON WORK ON PLANTATIONS OF THE INTERNATIONAL LABOUR ORGANISATION (TD/B/L.505)

36. The PRESIDENT drew the Board's attention, at the request of the International Labour Organization (ILO), to ILO Conclusion No. 70 concerning housing, medical and welfare facilities and occupational safety and health on plantations, as well as to resolution 74 concerning international trade in plantation products and international prices. He proposed that the Council should take note of those documents.

37. It was so decided.

INTERDEPENDENCE OF PROBLEMS OF TRADE, DEVELOPMENT FINANCE AND THE INTERNATIONAL MONETARY SYSTEM (agenda item 2) (continued) (TD/B/712 and Add.1 and 2; UNCTAD/CA/168)

38. Mr. MATTHIAS (Federal Republic of Germany), speaking on behalf of Group B, said that it wished to emphasize one central point, namely, that the economic development of the planet was the shared responsibility of all countries. Group B was certainly one of the first to recognize and to welcome a plurality of economic and social structures. It therefore found the statements made by a number of Group D countries disturbing, for they asserted that the development of the less-developed world was not their responsibility because, according to them, the problems of development were caused by the policies of the market economy countries. That criticism fell strangely from the lips of Group D countries, when it was the countries of the open market system which provided the overwhelming share of official development assistance, allowed more access to their domestic markets than any Group D country, and provided convertible currencies which the less developed countries could use as they desired. By their attitude, the Group D countries were attempting to avoid their responsibilities for the development of the less developed world.

39. Regarding East-West relations, Group B had already stated in Sessional Committee II, under agenda item 5, that UNCTAD was not the appropriate forum to discuss those issues and had explained its position.

40. If UNCTAD V was to engage in a realistic and therefore effective debate on economic development and interdependence, it must try to focus on the ways in which all countries could work together to improve the world economic system and mobilize the resources needed to help the less developed and poorer countries. It was in that spirit that Group B hoped that all countries and groups of countries would approach the Conference and that the secretariat would prepare for it.

41. Mr. ZAPOTOCKY (Czechoslovakia), replying on behalf of the Group D countries to the representative of Group B, said that the position of the socialist countries had been explained innumerable times. However, from whatever viewpoint the problem was approached and whatever the elements considered - monetary system, trade negotiations, or the imperialism of multinational corporations - a search for the causes always led to the same group of countries, namely, the developed market economy countries.

42. The fact of not feeling responsible to the same degree as others for the difficulties of the modern world did not mean that the socialist countries refused to participate in efforts to resolve them. On the contrary, the history of UNCTAD showed that the Group D countries had always maintained a very constructive attitude in that respect. However they considered that the problems of the developing countries and relations between socialist and developed countries formed a whole and should not be disassociated, even though the problems of the developing countries should, of course be given priority.

43. Mr. CHUVAKHIN (Union of Soviet Socialist Republics) unreservedly endorsed the explanation given by the representative of Czechoslovakia. He found it difficult to understand the reasoning of the representative of Group B, who, on the one hand, spoke of interdependence and shared responsibilities, and on the other refused to touch upon the problems, albeit important, which were at present hampering East-West trade. If all trade, financial and monetary questions were interdependent, all their aspects must be tackled and attempts should not be made to disregard some of them.

44. Mr. MADYIKA (Patriotic Front), speaking at the invitation of the President, said that the Patriotic Front of Zimbabwe welcomed the invitation to participate in the work of the Board firstly because it was aware of the importance of trade and development for the well-being of people of all nations and for the maintenance of peace and security, which was the principal object of the United Nations. Indeed the United Nations was an important ally of the liberation movement and, if it attained its objectives, would be better able to assist those movements in their struggle.

45. Secondly, the Patriotic Front, which was fighting an illegal régime, knew that trade was an important weapon that supplemented armed struggle. It did not, however, believe that trade sanctions of themselves would end the colonial occupation, because the foreign settler régime was only an extension in a new form of the

vested interests of imperialist countries, and because Southern Rhodesia, for example, had received millions of dollars for its illegal exports of chrome to the United States, which had used to buy weapons from the NATO countries.

46. Thirdly, the Patriotic Front knew that the days of the illegal régime were numbered and that Zimbabwe, under the leadership of the Front, would soon be able to take its rightful place among the nations of the world. Zimbabwe would then need the assistance of the United Nations and all friendly countries to reconstruct its economy. The rules of international trade which UNCTAD was trying to define would play a decisive rôle in that reconstruction. The Patriotic Front therefore hoped to demonstrate, by its participation, the importance it attached to international trade in the development of nations.

United Nations Conference on Trade and Development

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CONTENTS (continued)

(f) Review of the effectiveness of the arrangements, under Board decision 45 (VII), for the participation of non-governmental organizations in the activities of UNCTAD

Procedural matters (continued):

(c) Adoption of the report on credentials

(d) Establishment of the Working Party of the Trade and Development Board on the UNCTAD programme budget and the medium-term plan

Other business (continued):

(c) Draft resolution entitled "Impact of regional economic groupings of the developed countries on international trade including the trade of developing countries."

The meeting was called to order at ... p.m.

ADOPTION OF THE PROVISIONAL AGENDA OF THE SIXTH SESSION

1. Mr. ... (Secretary-General of UNCTAD) announced that, after consultations he had decided that, where the Board adjourned yesterday, the Negotiating Conference on the Common Fund would be resumed for a period of 10 working days that is to 17 December 1976. A further round of consultations would be held in the intervening period. He had been encouraged by the positive attitude of delegations during the consultations and he hoped that the climate for international economic co-operation as a whole would be improved by a satisfactory outcome to the Conference.

2. Mr. ... (France), speaking on behalf of the Group B countries, said that they were ready to participate constructively in the Negotiating Conference. Decisions must be taken in particular on the nature and basic elements of the Common Fund if its initiation was to be drawn up before the fifth session of UNCTAD. To achieve that result, effective use must be made, with the assistance of UNCTAD, of the unofficial consultations to be held in the intervening period to solve the difficult outstanding problems.

3. Mr. ... (German Democratic Republic), speaking on behalf of the Group D countries, confirmed that the socialist countries were ready to participate constructively in the renewed negotiating conference.

4. Mr. ... (China), supporting the resumption of the Negotiating Conference preceded by a round of informal consultations, said that results could be achieved only by adhering to the principles of the new international economic order and respecting the reasonable demands of the developing countries for a strong Common Fund as the focal point of the Integrated Programme for Commodities, which China had always supported.

5. Mr. ... (Philippines), speaking on behalf of the Group of 77, said it greatly regretted that the positive responses of the different groups to the resumption of the Negotiating Conference betokened an appreciation of his Group's well-established position on the essential elements of the Common Fund. The Group of 77 had called for the suspension of the earlier negotiations because of failure to reach agreement on two basic elements, namely the second window and the Fund's capital structure. However, it was ready to participate in the informal consultations preceding the Conference in a renewed effort to achieve equitable arrangements.

6. The PRESIDENT said he understood that the Board wished to take note of the statements made by the Secretary-General of UNCTAD and the spokesmen for the various groups on the resumption of the Negotiating Conference on the Common Fund.

7. It was so decided.

OTHER PARTICULAR MATTERS IN THE FIELD OF TRADE AND DEVELOPMENT (continued) (item 6)

(a) EXPORT PROMOTION: REPORT OF THE JOINT ADVISORY GROUP ON THE INTERNATIONAL TRADE CENTRE UNCTAD/GATT ON ITS ELEVENTH SESSION (TD/B/718 and Add.1 and Corr.1; ITC/AG(XI)/57)

8. Mr. RAIMONDI (Argentina), speaking on behalf of the Chairman of the Joint Advisory Group, reviewed the report on its eleventh session (ITC/AG(XI)/57). The Centre had been encouraged to seek a larger contribution from UNDP and to undertake a strong fund-raising effort. Its proposal to establish three-year rolling programmes with its trust fund donors should make for greater effectiveness. A number of proposed voluntary contributions for 1978 had been announced, and it was hoped that other countries would also become contributors to ITC trust funds.

9. The Centre should provide more market information to facilitate trade among developing countries and should complement the work of trade policy organizations by participating in the follow-up to trade negotiations among such countries. It should also participate in the Conference on Technical Co-operation among Developing Countries. The Joint Advisory Group endorsed its Technical Committee's report on the Centre's market development activities and brought to the attention of potential donor countries the desirability of having functional advisers available to respond to requests for assistance from developing countries. ITC should also increase its assistance to the import operations of developing countries, which might significantly improve trade among them.

10. Assistance of all kinds to the least developed countries should continue to receive priority. The Advisory Group endorsed the proposal that the main topic for the next session of its Technical Committee should be technical co-operation with the least developed countries and also adopted that Committee's recommendation to seek untied trust funds for such countries which could be used flexibly.

11. With regard to trade between developing countries and the socialist countries of Eastern Europe, representatives of the latter had supported the proposal for increased contacts between them and the Centre, particularly as part of the global UNCTAD technical assistance programme currently under preparation.

12. The trend to conduct the Centre's training activities in developing countries and to train increasing numbers of the nationals of such countries as instructors had been endorsed.

13. There had been strong support for ITC's contribution to the intergovernmental agreements establishing the International Tea Promotion Association and the International Tropical Timber Bureau, and for the Centre's continued collaboration with the International Institute for Cotton, including a joint transitional programme pending the establishment of the Cotton Development International. ITC's proposal to undertake a comprehensive marketing programme for jute and jute goods had also been approved in view of the fact that two of the five jute-producing countries were least developed countries.

14. The Centre had made co-operative arrangements with a growing number of United Nations and other intergovernmental bodies whose activities had a bearing on trade promotion. It had also received an offer of co-operation from the International Standards Organization.

15. All the recommendations of a firm of management consultants with regard to the re-organization of ITC had been implemented with the exception of those relating to the training service and the proposed programme support unit.

16. The Advisory Group had endorsed the recommendations of the Technical Committee on the functioning of both the Committee and the Group itself. It had clarified the principles governing the composition and membership of the Committee and it had encouraged the Centre to arrange for participation by the least developed countries.

17. Mr. ABHYANKAR (India) said that the International Trade Centre had done commendable work in training, research and strengthening activities designed to foster the export trade of developing countries. His delegation endorsed the valuable suggestions of the Joint Advisory Group, particularly with regard to the further action to be taken by the Centre on jute and tea.

18. The Centre should concentrate not only on trade promotion and related activities but also on industrial co-operation and joint ventures among developing countries. It could thus translate the work on improved access to markets into actual trade flows. There should be a greater bias in the Centre's country programmes towards the procurement of exports, equipment and information from developing countries. His country, which had contributed to the Centre's Trust Fund, hoped that there would be a substantial increase in the Centre's resources, and developed and developing countries alike should contribute to it.

19. Mr. MAGNUSON (Sweden), speaking on behalf of the delegations of Denmark, Finland, Norway and Sweden, said that the importance which the Nordic countries attached to trade promotion as a means of augmenting the export earnings of developing countries was demonstrated by the support they gave to ITC. The Joint Advisory Group at its March session had concentrated on ways and means of increasing the Centre's efficiency. The number of present donors had been considered too small to provide the broad funding base necessary for supporting the Centre's expanding technical co-operation programme as adequately as it deserved. The Nordic countries shared that view, and also agreed that programme delivery could be considerably improved by long-term project planning. Such rolling programmes might provide the necessary flexibility to enable the Centre to increase its effort for assisting the least developed countries. The Nordic countries hoped that the Centre was taking determined action in that direction.

20. The general awareness of the importance of trade promotion was one of the reasons for the considerable expansion of the Centre's activities. The Nordic countries were confident that, with its re-organized headquarters, ITC was fully prepared to meet the challenge of the 1980s. What was now required was more decisive bilateral and multilateral support.

21. Mr. RANCHINE (Union of Soviet Socialist Republics) said that the USSR supported the recommendation that the Technical Committee should meet before the session of the Joint Advisory Group

22. Turning to the Advisory Group's report he said in reference to the last sentence of paragraph 16 that trade policy questions went beyond the terms of reference of the Centre, which should concentrate on technical assistance activities.

23. His delegation could not agree with the statement in paragraph 51 of the report of the Technical Committee (ITC/AG(XI)/57, Annex III) that the only way in which ITC could provide more assistance in trade between developing and socialist countries would be through voluntary contributions from the latter. The action being taken by the Centre to assist in the development of such trade was not proportionate to the amount of funds contributed by the socialist countries to the Centre's budget.

24. Equitable geographical distribution was a generally recognized principle in the United Nations system. His delegation therefore maintained its objection to the second sentence of appendix II, paragraph 1, to the Technical Committee's report. Finally, it was regrettable that the changes referred to in paragraph 66 (b) of the report of the Joint Advisory Group (ITC/AG(XI)/57) had not been made.

25. Mr. AHMAD (Bangladesh) said that the decision taken by the Joint Advisory Group on the comprehensive programme for market promotion for jute and jute products was of particular importance for his country. The jute-producing countries were among the poorer developing countries and it was essential for them that the comprehensive programme should be undertaken as quickly as possible.

26. Every effort should be made to improve the export promotion infrastructures of the least developed countries. His delegation hoped that the Centre, which had launched some good programmes for the purpose, would do still more in that direction. He also hoped that more would be done to promote the lesser-known products of the developing countries, and that all countries in a position to do so would contribute to ITC's resources, which were at present inadequate.

27. The PRESIDENT suggested that the Board should take note of the report of the Joint Advisory Group (ITC/AG(XI)/57), of the Group's recommendations, and of the statements made by Board members on the subject.

28. It was so agreed.

INSTITUTIONAL, ORGANIZATIONAL, ADMINISTRATIVE AND RELATED MATTERS (agenda item 7) (continued)

(b) ANNOUNCEMENT OF ANY CHANGES IN THE MEMBERSHIP OF THE BOARD AND ELECTION TO MEMBERSHIP OF THE MAIN COMMITTEES (continued)

29. The PRESIDENT said that the Board was at present composed of 117 members. No new application for membership had been received and no member had expressed a desire to withdraw. The Board would now proceed to the election of members of the main Committees.

50. The following member States had informed the Secretary-General of UNCTAD that they wished to participate in forthcoming sessions of main Committees: Committee on Commodities: Liberia and Qatar; Committee on Manufactures: Liberia, Qatar and the Syrian Arab Republic; Committee on Invisibles and Financing related to Trade: Liberia and Qatar; Committee on Shipping: Liberia, Qatar and the Syrian Arab Republic; Committee on the Transfer of Technology: China, Liberia, Madagascar, Qatar and the Syrian Arab Republic; Committee on Economic Co-operation among Developing Countries: China, Liberia and Qatar.

51. No other member State had signified its wish to participate in any of the main Committees and no member State had indicated its desire to withdraw. He therefore suggested that the Board should confirm the composition of its main Committees as indicated in document TD/B/700 and annex IV, with the additional names of States he had just read out. The composition of each of the main Committees would be: Committee on Commodities, 95 members; Committee on Manufactures, 89 members; Committee on Invisibles and Financing related to Trade, 94 members; Committee on Shipping, 90 members; Committee on the Transfer of Technology, 86 members; and Committee on Economic Co-operation among Developing Countries, 95 members.

52. It was so decided.

(a) DESIGNATION OF INTERGOVERNMENTAL BODIES FOR THE PURPOSES OF RULE 78 OF THE RULES OF PROCEDURE

53. The PRESIDENT invited the Board to consider the requests of the following intergovernmental organizations to be included in the list referred to in rule 78 of the Board's rules of procedure: Industrial Development Centre for Arab States (IDCAS), Arab Bank for Economic Development in Africa (BADEA), Arab Organization for Agricultural Development (AOAD), Association of African Trade Promotion Organizations (AATPO), African, Caribbean and Pacific Group of States (ACP Group), Arab League Educational, Cultural and Scientific Organization (ALECSO), Arab Organization of Administrative Sciences (AOAS) and Arab Tourism Union (ATU).

54. The requests were approved.

(c) REVIEW OF THE EFFECTIVENESS OF THE ARRANGEMENTS UNDER BOARD DECISION 43 (VII), FOR THE PARTICIPATION OF NON-GOVERNMENTAL ORGANIZATIONS IN THE ACTIVITIES OF UNCTAD

55. The PRESIDENT pointed out that the subject of relations with non-governmental organizations was being considered by the Economic and Social Council in accordance with General Assembly resolution 32/197. The Board might therefore wish merely to take note of the note by the UNCTAD secretariat (TD/B/L.304) and defer its consideration of the arrangements for the participation of non-governmental organizations in the activities of UNCTAD until the Council had concluded its consideration of the subject.

56. It was so agreed.

PROCEDURAL MATTERS (agenda item 1) (continued)

(c) ADOPTION OF THE REPORT ON CREDENTIALS (TD/B/726)

37. The PRESIDENT suggested that the Board should approve the report of the Bureau (TD/B/726).

38. It was so agreed.

(d) ESTABLISHMENT OF THE WORKING PARTY OF THE TRADE AND DEVELOPMENT BOARD ON THE UNCTAD PROGRAMME BUDGET AND THE MEDIUM-TERM PLAN

39. The PRESIDENT said that he had been informed by the Co-ordinator of Group B of two changes in the composition of the Working Group: Sweden would replace Norway and France would replaced the United Kingdom.

OTHER BUSINESS (agenda item 8) (continued)

(c) DRAFT RESOLUTION ENTITLED "IMPACT OF REGIONAL ECONOMIC GROUPINGS OF THE DEVELOPED COUNTRIES ON INTERNATIONAL TRADE INCLUDING THE TRADE OF DEVELOPING COUNTRIES" (TD/L.66 and Corr.1-3)

40. The PRESIDENT suggested that consideration of draft resolution TD/L.66 should be deferred to a later session of the Board in accordance with a request by the sponsors.

41. It was so agreed.

The meeting rose at 4.45 p.m.

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TRADE AND DEVELOPMENT BOARD

Eighteenth session

SUMMARY RECORD OF THE [illegible]th MEETING

held at the Palais des Nations, Geneva,
on Wednesday, 13 September 1[illegible], at 4 p.m.

President: Mr. CASTELLANOS (Venezuela)

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(e) Designation and classification of non-governmental organizations for the purposes of rule 79 of the rules of procedure

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The meeting was called to order at 4.40 p.m.

OTHER PARTICULAR MATTERS IN THE FIELD OF TRADE AND DEVELOPMENT (agenda item 6) (continued):

(c) PROGRESS IN THE IMPLEMENTATION OF:

(i) SPECIAL MEASURES IN FAVOUR OF THE LEAST DEVELOPED AMONG THE DEVELOPING COUNTRIES (TD/B/681 and Add.1; TD/B/719; E/1978/36, parts I and II; TD/B/L.510) (continued)

1. Mr. JARAMILLO (Colombia), speaking on behalf of the Group of 77, introduced a draft resolution on special measures in favour of the least developed among the developing countries (TD/B/L.510).

(e) DISSEMINATION OF INFORMATION AND MOBILIZATION OF PUBLIC OPINION (TD/B/716)

2. The PRESIDENT suggested that the Board should take note of the report by the Secretary-General of UNCTAD on the dissemination of information and mobilization of public opinion (TD/B/716).

3. It was so agreed.

MATTERS REQUIRING ACTION BY THE BOARD ARISING FROM OR RELATED TO REPORTS AND ACTIVITIES OF ITS SUBSIDIARY AND OTHER BODIES (agenda item 5) (continued):

(c) SHIPPING (TD/B/L.515)

4. The PRESIDENT recalled that the Secretary-General of UNCTAD, at the close of the Board's previous debate on the subject, had consulted the Secretaries-General of the Inter-Governmental Maritime Consultative Organization (IMCO) and of the International Civil Aviation Organization (ICAO), the Under-Secretary-General for Economic and Social Affairs and the Executive Secretaries of the regional commissions, whose views were summarized in document TD/B/L.497/Add.1. In the light of their opinions, the Secretary-General of UNCTAD had amended his proposals for an expansion of the terms of reference of the Committee on Shipping. The amended text was annexed to document TD/B/L.497/Add.1.

5. Mr. JARAMILLO (Colombia), introducing a draft resolution on the subject (TD/B/L.515) on behalf of the Group of 77, recalled that the Economic and Social Council, in its resolution 2090 (LXIII), had endorsed the conclusions and recommendations of the Committee for Programme and Co-ordination to the effect that the activities of the United Nations should be considered as a coherent whole in which the primary responsibility for multimodal transport and containerization rested with UNCTAD. It was only logical therefore that it should fall to the Committee on Shipping to deal with those questions, and that would entail enlarging its terms of reference. UNCTAD's competence in matters of multimodal transport and containerization had been demonstrated by its constant participation in the intergovernmental preparatory work on the subject and in the activities of the Ad Hoc Intergovernmental Group on Container Standards for International Multimodal Transport.

6. The proposal by the Group of 77 had already been submitted to the Committee, which had referred it to the Board as the body empowered to give it instructions. To refer the draft terms of reference back to the Committee would thus be meaningless. The time had now come for the Trade and Development Board to comply with the decision taken by the Economic and Social Council and to invest the Committee on Shipping with the necessary authority in that field.

7. Documents TD/B/L.457 and Add.1, including the annex to the latter, were self-explanatory. The addendum to the Committee's terms of reference had been drafted in accordance with the decisions taken by the Trade and Development Board and after numerous and exhaustive consultations with all parties concerned. There was no reason therefore to postpone a decision. Following the recent informal consultations between the groups, in which the Group of 77 had demonstrated its willingness to entertain any constructive suggestion, it had agreed with Group B on certain improvements which could be made to the addendum and which had given rise to draft resolution TD/B/L.515.

8. Mr. [illegible] (Federal Republic of Germany), speaking on behalf of Group B, said that the Group had taken note of the new secretariat proposal to amend the terms of reference of the Committee on Shipping. He noted, however, that the written results of the consultations which had taken place with the specialized agencies concerned and the regional commissions had not yet been communicated to Governments. Group B appreciated the efforts made by Group D and the Group of 77 to improve the secretariat draft.

9. It went without saying that Group B respected Economic and Social Council decision 2038 (LXIII) to endorse the conclusions and recommendations of the Committee for Programme and Co-ordination. Like the other groups, it considered that, within UNCTAD, the primary responsibility for the work on multimodal transport and containerization lay with the Committee on Shipping whenever a sea link was involved. Nevertheless, further work was necessary to clarify the relationship between the proposed extension of the responsibilities of the Committee on Shipping and the work of other United Nations organizations dealing with intermodal transport. Group B continued to believe that the proposed additions to the terms of reference should be considered by the Committee itself before the Board took a final decision on them. There was a need for experts in the Governments and the international bodies concerned to give their opinion, but that had not been possible because the secretariat proposal had arrived too late and further changes had been proposed since then.

10. Moreover, Group B did not think that there was any pressing reason to bypass a main committee of the Board on so important a question as the review of its terms of reference. The work of UNCTAD would not be delayed by referring the matter to the Committee. The Board had recently given two groups a special mandate to study the question of international multimodal transport, and the work was absorbing the attention of all the specialists available to member States. In view of those considerations, Group B hoped that further consultations would be held before the Board took a final decision.

11. Mr. EL SAYED (Qatar) said that he had represented the Group of 77 in the informal consultations which had taken place between the groups on the terms of reference of the Committee on Shipping. The Group of 77 and Group D had shown great flexibility with regard to the suggestions and amendments put forward, since they had regarded them as reflecting the spirit of Economic and Social Council resolution 2097 (LXIII). The matter had been discussed on innumerable occasions, and talks had been held with the intergovernmental bodies concerned and the regional commissions, all of which had given UNCTAD the signal to go ahead and take the necessary decisions.

12. Group D asserted that the documentation had arrived too late, but document TD/B/497/Add.1 had been available for more than a month. Consideration of the question had already been deferred several times, and it would be pointless to refer it to the Committee on Shipping, since the responsibility for taking a decision did not lie with the Committee but with the Board itself.

13. Mr. MARTINEZ DE CIANCHINI (Mexico) said that his delegation did not think that the question of shipping had been given the attention it merited in the United Nations and, in particular, in UNCTAD. That had become obvious since the end of negotiations on the Code of Conduct for Liner Conferences, which had not been ratified by the principal industrialized countries in which the shipping companies were located, including some countries which usually displayed a spirit of co-operation in other important areas associated with the establishment of the new international economic order.

14. It had been recognized, particularly in the Committee on Shipping, that no progress had taken place and that the situation with respect to the participation of the developing countries in shipping had even deteriorated. It should be appreciated that, when the Committee's terms of reference had been drawn up, the international community had not attached enough importance to other forms of transport, such as multimodal transport and containerization. Those forms now accounted for a large proportion of maritime transport, and an extension of the Committee's terms of reference was therefore justified. Moreover, the Economic and Social Council, in resolution 2097 (LXIII), had given UNCTAD the main responsibility within the United Nations system for multimodal transport and containers. Mexico was therefore in favour of the secretariat proposal (TD/B/L.497 and Add.1) and hoped that it would be adopted at the present session of the Board.

15. Mr. FALTIN (Union of Soviet Socialist Republics), speaking on behalf of Group D, said that the Group considered, in principle, that the terms of reference of all UNCTAD bodies should be given a thorough examination with a view to their possible revision and that consultations should be arranged with the international organizations concerned. In the case of the terms of reference of the Committee on Shipping, Group D considered that the Board had sufficient information at its disposal to take a decision on the matter at the present session. He wished to emphasize once again that the Committee's functions in connexion with multimodal transport and containerization should not cover matters that fell within the competence of the regional commissions, ECOO, ICAO and other competent bodies. The Committee on Shipping was competent when a sea link was involved and when the other modes of transport supplemented maritime transport.

16. Mr. OSMAN (Somalia) said that he approved the draft addition to the terms of reference of the Committee on Shipping, and thought that the Trade and Development Board should take a decision in accordance with Economic and Social Council resolution 2090 (LXIII). The decision should be taken at the current session, because it was clear that it would not involve additional research or studies. The various repercussions of any new delay would hold up the work for one or two years and the question was an extremely important one which ought to be settled at the earliest possible moment.

INSTITUTIONAL, ORGANIZATIONAL, ADMINISTRATIVE AND RELATED MATTERS (agenda item 7) (continued):

(b) RATIONALIZATION OF THE STRUCTURE OF THE SECRETARIAT MACHINERY OF UNCTAD (TD/B/C.5/1 and Add.1, TD/B/L.247, TD/B/L.247/Add.1)

17. Mr. AIDARA (Guinea), speaking on behalf of the Group of 77, introduced draft resolution TD/B/L.247, in which it was proposed that the Committee should decide to establish an ad hoc committee to consider the question of restructuring and rationalization of the permanent machinery of UNCTAD. He said that the proposal should not give rise to any difficulties since the smooth functioning of the organization was in the interest of all.

(c) DOCUMENTATION PROBLEMS AND THEIR EFFECT ON THE WORK PROGRAMME OF UNCTAD

18. Mr. DEMUSSO (Director, Division for Programme Support Services) recalled that during the first part of its seventeenth session, the President had undertaken informal consultations on the problem of documentation and submitted a report to the Board, which it had decided to note with appreciation and to annex to its report (A/32/15, vol. II, annex III). It had further decided to review the issue at its eighteenth session in the light of the action taken by the appropriate authorities and of developments that might have occurred in the intervening period. In his report, the President had identified three areas of responsibility: that of the Board members, that of the UNCTAD secretariat and that of the United Nations Office at Geneva. In each case he had proposed a number of measures to improve the situation.

19. It was clearly not for the secretariat to evaluate the extent to which the States members of the Board had followed the President's recommendation regarding their decisions on the scheduling of meetings, their requests for further studies or documents and their decisions on the provisional agendas for forthcoming meetings.

20. The UNCTAD secretariat, for its part, had taken the President's suggestions to heart. It had reviewed and rationalized a number of internal procedures, taken steps to ensure the prompt movement of documents from one unit to another and, in response to a wish expressed particularly by the Belgian delegation, had taken the initiative of publishing a daily list of UNCTAD documents distributed at the Palais des Nations showing the date of issue in each language. The UNCTAD secretariat had endeavoured above all to improve the planning of documentation and it had achieved some success with regard to volume: six months before the eighteenth session, it

87. With regard to the documentation for the fifth session of the Conference, the Group B countries urged the secretariat to spare no effort to distribute them in good time in all languages. It would perhaps be preferable to produce shorter reports which would be available in time rather than more detailed reports which arrived late in the capitals and could not be examined with due care. The Group B countries fully appreciated the secretariat's difficulties, but in order to make the fifth session of the conference a success, countries, both large and small, must be adequately prepared, and that took time.

88. Mr. HERBERT (France) thanked the Director of the Division for Programme Support Services for explaining so clearly the documentation problem, which called for serious thought. He congratulated the secretariat on the useful innovations it had made in the work of documentation. Nevertheless, further steps must be taken.

89. In the preparation of the documents for the fifth session of the Conference, the French delegation was particularly concerned with the problem of languages. The translation of documents during a session always gave rise to difficulties and there must be a sufficient number of interpreters and translators at Manila to ensure that the participants could work in acceptable conditions linguistically. The problem of the overloading of the English typing pool could be mitigated if more documents were drafted in other languages. It might be hoped that, through the dedication and foresight of the secretariat, the fifth session of the Conference would after all have complete documentation available in good time, but the long-term documentation problem must be seriously tackled at the current session of the Board with regard both to subject matter and to the financial implications of the proliferation of documents, and also at a fundamental level which had emerged quite clearly from the statement of the Director of the Division for Programme Support Services: that of the responsibility of member States with regard to the calendar of meetings. The experience of recent years showed that progress could not be made by having more meetings at shorter intervals: on the contrary, what was required was documents distributed in good time and sufficient intervals for reflection between one meeting and the next.

90. His delegation greatly hoped that, in considering the calendar of meetings, member States would request the Secretary-General of UNCTAD himself to warn them against their own impatience and remind them that it was better to have fewer productive meetings than too many meetings which had been inadequately prepared. That would be a way of drawing a really useful lesson from the experience of past years and of allowing UNCTAD to work at an efficient and reasonable pace.

91. Mr. LALOUX (Belgium) welcomed the initiative taken by the secretariat in publishing a daily list of the documents distributed by UNCTAD. He had long been expecting the note of alarm which the Director of Programme Support Services had just sounded. The sovereignty of member States in no way prevented the secretariat from giving them a frank warning, while remaining strictly neutral, that they were approaching the danger point and that the proliferation of meetings

could not go on indefinitely. The Belgian delegation had, however, sometimes had the impression that the secretariat was somewhat accommodating with regard to requests for new meetings, and that far from curbing them it in fact encouraged them. One solution, of course, was to ask for additional financial resources, but that was the easy way out and he would wish to be sure that the resources available to the secretariat were being used to the best advantage before deciding whether the increasing number of meetings actually required an increase in secretariat staff.

77. Mr. ALVES (Ethiopia) said that, now that the UNCTAD secretariat had explained its difficulties to the Board, the Board should not merely express its appreciation of the efforts made by the secretariat, but should initiate remedial action. Member States ought to consider rationalizing future meetings and rectifying the lack of co-ordination in decision-making and at the technical level.

78. If the Board decided to set up an ad hoc committee to consider the question of restructuring and rationalizing UNCTAD's permanent machinery, the important views expressed by the Director of Programme Support Services could be considered by that committee. In any event, member States and the secretariat should work together to improve UNCTAD's working methods and make them more effective and fruitful.

79. Mr. BRILLANTES (Philippines) emphasized the indispensability of documentation. In his opinion, the volume of UNCTAD's documentation was reasonable: the secretariat tried to be brief without sacrificing what was important.

80. The Director of Programme Support Services had remarked that the organization's "English" capacity had not been made with the expansion of its activities. If that was the case, in other words if it was a question of inadequate resources, he wondered whether the rationalization of the UNCTAD secretariat had put the issue before the Fifth Committee of the General Assembly and before the Consultative Committee on Administrative and Budgetary Questions (CCAAQ). If it had not, if there had been no follow-up, the fault did not lie with the secretariat, but with the member States of the United Nations represented in those two bodies.

81. Referring to the suggestion made by the representative of France that more documents should be drafted in languages other than English in order to relieve the English typing pool, he pointed out that that was not a proper remedy, but a palliative.

82. Expressing concern that the documents required for the fifth session of the conference should be prepared, reproduced and distributed in time, he suggested that an urgent communication should be sent by the Secretary-General of the United Nations, drawing his attention to the serious difficulties which the UNCTAD secretariat was facing in respect of documentation. The President of the Board should consult the Secretary-General of UNCTAD to see how best to draw the attention of the Secretary-General of the United Nations and, if necessary, that of the CCAAQ and the Fifth Committee to the problem.

58. Furthermore, he wondered whether the fact that many bodies whose headquarters were not in Geneva chose to hold their meetings at the United Nations Office at Geneva, thereby increasing the volume of work of the secretariat, had any repercussions on the preparation of documents for UNCTAD and its subsidiary bodies. If so, would it not be possible to make discreet representations to the bodies in question, to dissuade them from meeting in Geneva?

59. Mr. AL-HADITHY (Saudi Arabia), supported by Mr. GHAI (Egypt), stated that the problem of the Arabic language constantly arose in UNCTAD. The Arabic documents frequently came out after the conferences to which they relate. His delegation requested that the Arabic language should be treated on an equal footing with the other languages and that any improvements which could be made to the documentation in other languages should also be made for Arabic.

60. Mr. HEISSER (United States) said he shared the concern expressed by many delegations concerning the distribution of documents in good time in the various working languages.

61. While it in no way detracted from the seriousness of the documentation problem, the late appearance of documents was not always a negative factor and could be considered as having a positive function from the diplomatic point of view. It served as a justification for governments when they had not been able to formulate their positions before attending a conference, and it could not be denied that if delegates had all the documents in time they might sometimes find themselves in embarrassing situations.

62. In any event, documentation was by no means the only area in which improvements were called for. Nevertheless member States could join together with the secretariat in trying to provide delegations and the organization with the information they needed to make their decisions.

63. Mr. HAMILTON (Ireland) also expressed the wish that the documents should be distributed in good time in all working languages. The success of conferences did not depend only on the plenary bodies and formal meetings, and decisions were often worked out in closed meetings. Unfortunately, at the United Nations Office at Geneva, it was often impossible to have the documents for closed meetings in the various working languages, and many delegations were therefore prevented from taking an active part in the discussions. In order that all conferences held at the United Nations Office at Geneva should be successful, it was essential, even for private consultations, that the working documents should be translated into all the working languages, in accordance with the Board's rules of procedure. His delegation hoped that that would be the case for the fifth session of the Conference, and that all the necessary secretariat services would be provided.

64. Mr. [illegible] (Union of Soviet Socialist Republics) stressed the difficulties arising from UNCTAD's very full calendar of meetings, particularly for countries whose permanent mission at Geneva was not a large one and whose representatives were therefore compelled to attend successive meetings without sufficient time for proper preparation. The Board should bear that question in mind and take the calendar of meetings already established into account when deciding on new meetings.

45. Insofar as documentation was concerned, the various working languages of UNCTAD should be on an equal footing. The Russian documents frequently appeared after the meeting for which they had been intended or at best during the meeting. The secretariat should therefore take urgent measures to remedy that situation. One of the solutions proposed had been a suggestion that the funds made available to the secretariat should be increased. That would be a vicious circle, as an increase in resources would result in an increase in the installed capacity and, consequently, in the volume of documentation. Another solution would be to improve efficiency and quality by using the same resources in a more productive way, for example by limiting the volume of documentation and ensuring that the same data were not reproduced in several documents. While paying tribute to the secretariat, he observed that delegations were often unable, for lack of time, thoroughly to read the documents provided by the secretariat. The Secretary-General of UNCTAD should join with the secretariat in considering all the suggestions made to the Board and put forward suggestions at the following session.

(e) DESIGNATION AND CLASSIFICATION OF NON-GOVERNMENTAL ORGANIZATIONS FOR THE PURPOSES OF RULE 79 OF THE RULES OF PROCEDURE OF THE BOARD (TD/B/L.16 and Add.1-3; TD/B/727)

46. The PRESIDENT said that eight non-governmental organizations had asked to be designated and classified for the purposes of rule 79 of the rules of procedure of the Board. In accordance with established practice, the Secretary-General of UNCTAD had consulted the Bureau of the Board, which had concurred with the recommendations contained in document TD/B/727. If there was no objection, he would consider that the Board approved the recommendations contained in the note by the secretariat (TD/B/727).

47. It was so decided.

The meeting rose at 6.05 p.m.

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TRADE AND DEVELOPMENT BOARD

Eighteenth session

SUMMARY RECORD OF THE 509th MEETING

held at the Palais des Nations, Geneva
on Friday, 15 September 1978, at 6 p.m.

President: Mr. KUTO (Thailand)

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and

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Other business (agenda item 8) (continued):

(b) Implementation of the Declaration on the Granting of Independence to Colonial Countries and Peoples by the specialized agencies and the international institutions associated with the United Nations (General Assembly resolution 32/36)

Interdependence of problems of trade, development finance and the international monetary system (agenda item 2) (continued)

The meeting was called to order at 7.55 p.m.

TRADE RELATIONS AMONG COUNTRIES HAVING DIFFERENT ECONOMIC AND SOCIAL SYSTEMS (agenda item 3):
REPORT OF SESSIONAL COMMITTEE II (TD/B(XVIII)/SC.II/L.1, L.2, L.2/Corr.1, L.3; TD/B/L.513; TD/B/630, 685, 703, 708/Add.1)

1. Mr. MARELLE (France), introducing the report of Sessional Committee II (TD/B(XVIII)/SC.II/L.1, L.2, L.2 and Corr.1, L.3; TD/B/L.513), said that the Committee had considered trade relations among countries having different economic and social systems and, in particular, such relations between the socialist countries of Eastern Europe and developing countries, and it had noted the importance that all its members attached to the development of such relations. The Committee had also examined with appreciation the reports on the work carried out by the Intergovernmental Group of Experts on Trade Opportunities resulting from Multilateral Schemes of Countries Members of CMEA (TD/B/630) and by the Intergovernmental Group of Experts to Study a Multilateral System of Payments between Socialist Countries of Eastern Europe and Developing Countries (TD/B/685). The Committee had expressed the hope that action by UNCTAD to encourage trade relations between developing countries and the socialist countries of Eastern Europe would be intensified.

2. During the session, bilateral and multilateral consultations had also taken place between the developing countries and the socialist countries of Eastern Europe, in accordance with the recommendations in Conference resolution 95 (IV). The main results of those consultations were clearly set out in the Committee's report.

3. He drew attention to two draft resolutions, one submitted by the Group of 77 (TD/B(XVIII)/SC.II/L.1 and the other by Group D (TD/B(XVIII)/SC.II/L.3), and said that the consultations that had taken place had unfortunately not led to the production of a joint text.

4. Referring to the account in document TD/B/L.513 of the Committee's deliberations at its closing meeting, he said that the word "deplorable" should be added before the words "recent trend" in the sixth line from the end of paragraph 55.

5. Mr. CHAO Kuang-ta (China) said that his delegation had not taken part in the work of Sessional Committee II and that it therefore reserved its position on the tenor of the report, while generally supporting the positions taken by the Group of 77.

6. Mr. AMDAN (Nigeria), speaking on behalf of the Group of 77, drew attention to the draft resolution (TD/B(XVIII)/SC.II/L.2) which the Group had submitted to the Sessional Committee with the purpose of focusing the preparatory work for the fifth session of the Conference on specific issues and contributing to the implementation of resolution 95 (IV). The measures proposed in the draft resolution were vital if substantial results for developing countries were to be achieved at the fifth session of the Conference on that particular agenda item.

7. It was therefore a matter of regret that in spite of the efforts of the developing countries, Group B had maintained the same inflexible attitude as in the Intergovernmental Group of Experts on Trade Opportunities, whose report (TD/B/630) contained, in annex 1, the agreed conclusions and recommendations proposed by the Group of 77, which the Group of Experts had been unable to approve. He was concerned to note the increasing frequency with which the recommendations of the Group of 77 were simply annexed to reports and referred to further meetings.

8. On several occasions, representatives of Group B countries had declared in the Board that unutilized opportunities and potential abounded in their countries from which developing countries could benefit through co-operation arrangements. However, attempts in that direction by certain members of the Group of 77 had often been thwarted by the unwillingness of the socialist countries to support their projects. The Group of 77 was greatly concerned at that negative attitude, which was likely to make an adverse impression on public opinion in the developing countries.

9. Mr. EDAUH (German Democratic Republic), speaking on behalf of Group D, said that Sessional Committee II had had a fruitful exchange of views on a number of problems connected with trade relations among countries having different economic and social systems and had considered the results of the meetings of the two intergovernmental groups of experts which had been held in the autumn of 1977. Furthermore, very intensive consultation and negotiations had taken place during the last few days between members of Group D and members of the Group of 77 with the aim of reaching a common conclusion. But different views had continued to exist on certain questions of principle, in spite of the many constructive proposals made by the socialist countries. Group D could not accept any result which did not take account of all trade flows and their interrelationship. The exclusion of one or more was in its view incompatible with the universal character of the fifth session of the Conference and with the relevant resolutions adopted since the establishment of UNCTAD. Within that framework of principle, the Group D countries had done their utmost to bridge over the existing difficulties and it was not their fault if they had been unable to reach agreement on a common text. The failure was attributable to the other groups which had tried to deal only with limited aspects of the problem.

10. Mr. HERRE (Federal Republic of Germany), speaking on behalf of Group B, said it was regrettable that Sessional Committee II had been unable to establish definite guidelines for the work of the Conference at its fifth session on the question of trade relations among countries having different economic and social systems. The co-ordinators had appeared to be on the point of reaching agreement on a common text in which only two contentious passages remained, but Group D had proved inflexible, although the matter under consideration was of capital importance for solving world trade problems and especially for increasing the economic capacity of the developing countries.

11. The countries members of the Group of 77, for their part, had made praiseworthy efforts to set out their aspirations and ideas clearly and, having regard to resolution 95 (IV), Group B approved in the main the draft resolution (TD/B/(XVIII)/SC.II/L.2) which those countries had submitted to the Sessional Committee. Group B remained convinced that there were immeasurable possibilities of intensifying economic and trade relations between socialist and developing countries.

12. On the issue of whether UNCTAD was competent to analyse the trend of economic and trade relations between the socialist countries and the developed market economy countries, Group B differed from Group D in considering that, notwithstanding its universal character, UNCTAD should have regard to activities in other organs of the United Nations system.

13. The PRESIDENT said that, in the absence of objection, he would take it that the Board formally adopted the report of Sessional Committee II, decided to annex it to the report on its eighteenth session and also took note of the reports of the two intergovernmental groups of experts (TD/B/680 and TD/B/683).

14. It was so decided.

MATTERS RELATING ACTION BY THE BOARD RECENTLY WHICH ARE RELATED TO REPORTS AND ACTIVITIES OF LDCs SUBSIDIARY AND OTHER BODIES (agenda item 5) (continued)

(a) REVIEW (TD/B/L.[illegible] and [illegible]; TD/B/AC.[illegible]) (continued)

15. [illegible] (Brazil), speaking on behalf of the Group of 77, said that the Group, after submitting draft decision TD/B/L.[illegible], had undertaken to examine considerations with the other Groups in order to reach an agreement, about which there had been no difficulty in the case of Group B but which had not been possible with Group D which had maintained its position. Under the circumstances, the Group of 77 was obliged to submit a revision of the draft decision.

16. [illegible] (Federal Republic of Germany), speaking on behalf of Group B, said that the members of his Group had taken note of the draft decision but had not had time for examination of it even in the informal session of the Board could be followed, as they appreciated, by a second round of discussions in the Committee on Shipping. Consequently, Group B was not in a position to approve the proposed addition. It continued fully to support Economic and Social Council resolution 1978 (LVIII) and appreciated the secretariat's draft, but it regretted that the secretariat consultations with the other United Nations organs concerned had been held [illegible] although document TD/B/C.3/[illegible] and Add.1 was dated 1 August 1978, it had been made available in certain capitals only after the deadline of 15 September for the revision of the Board. On the basis of information obtained, Group B was not fully convinced that all the aspects of the proposed addition to the terms of reference of the Committee, as amended, were generally acceptable to all the United Nations organs and agencies concerned. Furthermore, Group B did not believe that there were pressing reasons to [illegible] main agenda of the Board on a matter of particular concern to it.

17. The spokesman for the Group of 77 had said that the procedure proposed by Group B would lead to a further delay of two years, but Group B did not see why the Committee could not be convened before the next regular session of the Board. In general, a gap of three years between sessions of the Committee implied that there were no urgent questions to the solution of which it might contribute. In spite of its desire to have the matter referred to the Committee, Group B had proposed, during informal contacts, a compromise text in which it sought several important concessions and had agreed to a general mandate for the Committee on Shipping, but would enable it to deal with matters of intermodal transport and containerization when there was a new link, leaving only the detailed terms of reference for review by the Committee. Furthermore, Group B had called for an early meeting of the Committee, both to confirm the importance it attached to UNCTAD's work in that area and to permit ratification of the terms of reference at the nineteenth session of the Board. Finally, in order to make it clear that Group B's intention had never been to impede UNCTAD's efforts, it had proposed the secretariat to prepare a draft programme of work.

18. Group B greatly regretted that its text had not been acceptable to other Groups and still more that they had deemed it appropriate to decide by a vote the question of revision of the terms of reference of a main committee, a procedure that it regarded as quite unusual and that could only be harmful to the future work of the Committee. It would therefore abstain in the vote and reserved the right to return to the issue in the Committee on Shipping.

19. Draft decision TD/B/[illegible] was adopted by 68 votes to none, with 19 abstentions.

OTHER PARTICULAR MATTERS IN THE FIELD OF TRADE AND DEVELOPMENT (agenda item 6) (continued):

(b) PROGRESSIVE DEVELOPMENT OF THE LAW OF INTERNATIONAL TRADE: ELEVENTH ANNUAL REPORT OF THE UNITED NATIONS COMMISSION ON INTERNATIONAL TRADE LAW (TD/B/720)

70. The PRESIDENT suggested that the Board might wish to take note, with appreciation, of the report of the United Nations Commission on International Trade Law.

72. It was so decided.

(d) TRADE AND ECONOMIC ASPECTS OF DISARMAMENT (TD/B/L.517)

73. Mr. ZAVOTSKY (Czechoslovakia), introducing the draft decision submitted by his delegation on behalf of Group D (TD/B/L.517), said that the text had been the subject of consultations with the regional groups, whose views had been taken into consideration in the final drafting, that was the reason for its late distribution.

74. Mr. [illegible] (Federal Republic of Germany), speaking on behalf of Group B, said that the draft decision was acceptable to Group B, because it was in conformity with Conference resolution [illegible] (III) and the normal procedure of consultation among United Nations organs. However, in Group B's view, the question should not be given high priority in UNCTAD's work programme and the data and expertise to be provided under paragraph 1 of the draft decision should not absorb much staff or resources.

74. Mr. CHAO Kuang-yu (China) pointed out that the draft decision had only just been distributed. His delegation, which had not been consulted on the wording of the text, had therefore not had time to examine it and requested that action on it should be postponed.

75. The PRESIDENT suggested that consideration of draft decision TD/B/L.517 should be deferred until the next meeting.

76. It was so decided.

PROCEDURAL MATTERS (agenda item 1) (continued):

(c) PROVISIONAL AGENDAS FOR THE TENTH SPECIAL SESSION AND NINETEENTH REGULAR SESSION OF THE BOARD AND ORGANIZATION OF THE WORK OF THE SESSIONS (TD/B/L.508 and L.509) (continued)

OTHER BUSINESS (agenda item 8) (continued)

(b) IMPLEMENTATION OF THE DECLARATION ON THE GRANTING OF INDEPENDENCE TO COLONIAL COUNTRIES AND PEOPLES BY THE SPECIALIZED AGENCIES AND THE INTERNATIONAL INSTITUTIONS ASSOCIATED WITH THE UNITED NATIONS (General Assembly resolution 32/36) (continued)

77. The CHAIRMAN said that, in the absence of objection, he would take it that the Board adopted the draft provisional agenda for its tenth special session (TD/B/508), which had been prepared by the secretariat.

78. It was so decided.

for their liberation; great colonial empires had crumbled and over 100 countries had become independent. Nevertheless, the international community could not cease to concern itself with the problem until colonialism and racism had vanished from the earth. At the beginning of 1977, about 30 territories had still not attained their independence and were under colonial domination or trusteeship. The Soviet Union had always supported the struggle of peoples to destroy those last centres of colonialism and apartheid.

36. UNCTAD should respond to the General Assembly's call in resolution 32/34 and strengthen its activities relating to the implementation of the Declaration, for the matter has important economic and social aspects.

37. In spite of the numerous resolutions adopted by the General Assembly and other United Nations organs, many Western States had begun to get on more to economic and trade relations with the apartheid régime in South Africa and the racist régimes in southern Africa. In spite of the embargoes which had been agreed upon, in spite of the Plan of Action unanimously adopted as recently as August 1976 by the World Conference to Combat Racism and Racial Discrimination, it appeared from the press that British Petroleum and Shell had recently delivered oil to the racist régime in Rhodesia, in defiance of the economic sanctions agreed upon by the United Nations. Transnational corporations, banks and other enterprises, far from putting an end to their activities in the racist countries of southern Africa, were in fact intensifying them. Thus the working paper prepared for the Sub-Commission on Prevention of Discrimination and Protection of Minorities (E/CN.4/Sub.2/416) showed that over 1,000 banks, large enterprises and other bodies or persons in Western countries, such as the United States of America, the United Kingdom, France, the Federal Republic of Germany, Israel and Italy, were conducting activities in southern Africa and the list was by no means exhaustive. The working paper also showed that the racist régimes in southern Africa would not have survived so long without the moral and material support of certain members of the international community and without economic assistance from the transnational corporations. The activities of the international monopolies which continued to exploit the human and natural resources of the colonial countries were the main obstacles to the political and economic independence of many peoples.

38. In its report on its thirtieth session (August-September 1977), the Sub-Commission had considered that the international community should press the Western countries and transnational corporations to stop any form of commercial co-operation with South Africa, since the time had come to undertake action and to stop frustrating measures and resolutions adopted by the United Nations bodies (E/CN.4/1341, paragraphs 32 and 40).

39. Thus, the Board had a great deal to do in implementation of General Assembly resolution 32/34. His delegation therefore supported the proposal of the Group of 77.

40. The CHAIRMAN said that, in the absence of objection, he would take it that the Board adopted the proposal to include in the agenda for its nineteenth session an item on the implementation of the Declaration on the Granting of Independence to Colonial Countries and Peoples.

41. It was so decided.

INTERDEPENDENCE OF PROBLEMS OF TRADE, DEVELOPMENT FINANCE AND THE INTERNATIONAL MONETARY SYSTEM (agenda item 5) (continued) (TD/B/715 and Add. 1 and 2; TD/B/L.340)

. Mr. [illegible] (Spain) said that in view of the interdependence of the problems involved in the Programme of Action on the Establishment of a New International Economic Order, his delegation would like the UNCTAD secretariat to carry out a study on ways to overcome for the world economy, and particularly for that of the developing countries, of the failure of the developed countries to reach commercial agreements in fields which were of fundamental importance to the attainment of the objectives adopted for the establishment of the new international economic order.

. In the light of recent events in the world economy, his delegation would like a study which brought out the interdependence of the following aspects: commodity prices, access for manufactures and semi-manufactures of developing countries to the markets of developed countries, financial problems of development, external indebtedness problems of developing countries, and the international monetary system.

. Mr. [illegible] said that those suggestions would be reflected in the Board's report.

. Mr. [illegible] (Secretary of the Board) said that the first part of its fourteenth session (TD/B/L.340) on the interdependence of problems in trade, development finance and the international monetary system. It was for delegations to take the Board's report into consideration if that draft conclusion to the secretariat study.

. It was so decided.

. Mr. [illegible] said that it was his understanding that the Board wished to keep the question of the interdependence of problems of trade, development finance and the international monetary system on the agenda for its future meetings.

. It was so decided.

The meeting rose at [illegible].

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United Nations Conference on Trade and Development

TRADE AND DEVELOPMENT BOARD

Eighteenth session

SUMMARY RECORD OF THE 516th MEETING

held at the Palais des Nations, Geneva,
on Saturday, 10 October 1970, at 3 p.m.

President: Mr. [illegible] (Venezuela)

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Closure of the session

The meeting was called to order on Sunday, 17 September 1972, at 1.30 p.m.

AGENDA ITEM 10: THE UNITED NATIONS CONFERENCE ON TRADE AND DEVELOPMENT: OBJECTIVES, ORGANIZATION AND PREPARATORY WORK AND PREPARATION (agenda item 4) (continued) (TD/B/L.507 and Add.1, TD/B/L.520)

1. Mr. McINTOSH said that, as a result of consultations in the working group set up by the Board at its 507th meeting, he had dealt with all matters related to the organization of the Conference, to be held at Manila, he was able to submit to the Board the organization proposals concerning the agenda for that session (TD/B/L.520). He also drew attention to a revised text circulated informally, for agenda item 17, which was to remain in square brackets pending further examination by the Board at its tenth special session. a/

2. Turning to the organization of the work of the Manila Conference, it was his understanding that there was general agreement concerning the proposals put forward in paragraph 2 of document TD/B/L.507/Add.1, subject to the following modifications: (i) the Board would decide to establish one Sessional Committee and six Committees of the Conference; as provided for in sub-paragraph (vi), the allocation of items to the Committees would be determined at the Board's tenth special session; (ii) sub-paragraph (ix) would be amended to read: "Summary records will be dispensed with for the Conference, on the understanding that the full texts of plenary statements delivered in the general debate will be issued as part of the proceedings of the Conference."

3. Mr. CHAUDHRI (Pakistan), speaking on behalf of the Group of 77, noted that a reference had been omitted from item 9 (a) of the provisional agenda as set out in document TD/B/L.520. That item should read: "Multilateral trade negotiations: arrangements for further trade negotiations arising therefrom".

4. Mr. McINTOSH said that, if there were no objections, he would take it that the Board wished to adopt the proposed provisional agenda set out in document TD/B/L.520, subject to the correction noted by the representative of Colombia and on the understanding that it would revert to the wording of item 17 at its tenth special session.

5. It was so decided.

6. The PRESIDENT said that, if there were no objections, he would take it that the Board also approved the arrangements for the organization of the work of the Conference outlined in paragraph 2 of document TD/B/L.507/Add.1, subject to the amendment in sub-paragraph (ix) and it was so decided on the understanding that the allocation of items on the Conference's agenda would be determined at the Board's tenth special session.

7. It was so decided.

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a/ For this revised text, see document TD/B/INF.3.

PROCEDURAL MATTERS (agenda item 1) (continued)

(e) PROVISIONAL AGENDAS FOR THE TENTH SPECIAL SESSION AND NINETEENTH REGULAR SESSION OF THE BOARD AND ORGANIZATION OF THE WORK OF THE SESSIONS (continued) (TD/B/L.509)

8. The PRESIDENT recalled that, at its previous meeting, the Board had accepted a proposal by the representative of the Sudan to include in the provisional agenda for its nineteenth regular session (TD/B/L.509) an item entitled "Implementation of the Declaration on the Granting of Independence to Colonial Countries and Peoples by the specialized agencies and the international institutions associated with the United Nations". In addition, the representative of Czechoslovakia had proposed the inclusion of an item entitled "Trade and economic aspects of disarmament", on which the Board had deferred acting a decision at the request of the spokesman for Group D, who had reserved that Group's position on the matter.

9. Mr. MATTHIAS (Federal Republic of Germany), speaking on behalf of Group D, withdrew the Group's reservation.

10. The PRESIDENT said that, if there were no objections, he would take it that the Board wished to adopt the provisional agenda for its nineteenth regular session (TD/B/L.509), subject to the inclusion of the two additional items he had just mentioned. He would further take it that the Board authorized him, acting in consultation with the Secretary-General of UNCTAD, to adjust the provisional agenda as necessary in the light of developments and requested the Secretary-General of UNCTAD to consult delegations regarding the organization of the work at that session and to circulate his proposals thereon to the Board.

11. It was so decided.

OTHER PARTICULAR MATTERS IN THE FIELD OF TRADE AND DEVELOPMENT (agenda item 4) (continued)

(d) TRADE AND ECONOMIC ASPECTS OF DISARMAMENT (continued) (TD/B/L.517)

12. The PRESIDENT said that, if there were no objections, he would take it that the Board wished to adopt the draft decision concerning trade and economic aspects of disarmament contained in document TD/B/L.517.

13. It was so decided.

14. Mr. GARCIA (Mexico) requested the UNCTAD secretariat to take account, in the data it provided to the Ad Hoc Group of Experts on the Relationship between Disarmament and Development, of article 10 of the Charter of Economic Rights and Duties of States and of the statement made by the French representative at the tenth special session of the General Assembly concerning the establishment of a Special Disarmament Fund for Development.

15. Mr. DI Chih-min (China) said it was a well-known fact that the super-Power carrying a "socialist" signboard, for the purpose of camouflaging its acts of aggression and expansion, was always peddling disarmament and loudly preaching disarmament and peace while at the same time engaging in arms expansion and war preparation and everywhere exhibiting military might, provoking incidents and instigating wars. Those actions not only seriously threatened world peace but

also impeded the struggle of the third world to establish the new international economic order. The super-powers had not even begun to implement their own and resolutions and decisions of the conference would become mountains of paper. Facts had shown that the call for disarmament made by the super-Power as whose behest had convened the conference. Their reported genuine disarmament, but was against such disarmament. It had been found to expose the deceptive calls for disarmament of the super-powers. The developing countries, threatened collectively by the super-powers, unanimously wished to see disarmament become a reality. They demand that the savings derived from disarmament should be used for a widespread relations established on entirely reasonable request for the return of part of the wealth plundered from them by the super-powers.

16. Mr. MITCHELL (Belgium), speaking on a point of order, said it was regrettable that the representative of Cuba had continued his country's policy of creating tension in international forums by making slanderous statements which had nothing to do with UNCTAD's activities and which diverted the Second from its proper business. In his view, that representative's statement had been out of order.

(c) PROGRESS IN THE IMPLEMENTATION OF:

(i) SPECIAL MEASURES IN FAVOUR OF THE LEAST DEVELOPED AMONG THE DEVELOPING COUNTRIES (continued) (TD/L.5..)

17. Mr. ASLAM (Pakistan), speaking on behalf of the Group of 77, announced a number of changes to the text of the draft resolution on special measures in favour of the least developed among the developing countries (TD/L.510). Paragraph 4 should be omitted, and paragraph 5 amended to read:

"[Urges endorses recommends (1), agrees to] the Intergovernmental [on the Least Developed] Working Group of the second session as contained in TD/B/[ ], namely, [with increase in membership and recommendations of the Meeting on Haiti] and [requests] [should not Technical Assistance Institute] [to provide] [Development Countries (part two of TD/B/)]:"

In addition, [the Secretary-General] [is requested] [should be asked] to [and] "Reconvene the [Intergovernmental] Working Group [of seven] [group of high-level experts] late in 1979, [to] [prepare] [to] [to] [to

20. Mr. ANTOCHKIN (Czechoslovakia), speaking on behalf of Group D and referring to the proposal in document TD/B/L.510, now amended, that the Board fully endorse the conclusions and recommendations contained in part two of document TD/B/501, said that any multilateral recommendations could be applicable to the socialist countries only to the extent that they took into account fundamental specific features of the socialist economic system, which differed in principle from that of the capitalist countries. Accordingly, he reaffirmed the reservations made on behalf of the Group D countries, as recorded in paragraph 75 of document TD/B/C.1.

21. On the question of fully endorsing resolution 2 (II) of the Intergovernmental Group on the Least Developed Countries, he reiterated the reservations made on behalf of the Group D countries, as expressed in paragraphs 49 and 150 of document TD/B/719. That resolution contained formulations that might be interpreted as an unconditional agreement by all countries with what was termed the "basic human needs" concept. In the view of the Group D countries, that concept could not be considered separately from the question of effecting major social and economic changes in developing countries and, outside the context of such reforms, they could not consider themselves bound by any recommendations which focused on the concept of "basic human needs" and oriented future activities of UNCTAD in that direction. If the draft resolution as contained in document TD/B/L.510 had been put to the vote, the Group D countries would have abstained on operative paragraphs 1 and 2.

22. Mr. ADLER (Bangladesh), speaking on behalf of the Group of 77, said it was the Group's understanding that the term "bilateral financial and technical assistance institutions" as used in new paragraph 2 of the resolution just adopted referred to aid donors among the developed countries. When issuing invitations to the meeting, the Secretary-General of UNCTAD might wish to bring that understanding in mind.

(ii) SPECIFIC ACTION RELATED TO THE PARTICULAR NEEDS AND PROBLEMS OF DEVELOPING ISLAND COUNTRIES (continued) (TD/B/607)

23. The PRESIDENT said that, if there were no objections, he would take it that the Board decided to take note of the recommendations of the Group of Experts on Passenger and Inter-island Services by Air or Sea for Developing Island Countries (TD/B/607).

24. It was so decided.

(iii) SPECIFIC ACTION RELATED TO THE PARTICULAR NEEDS AND PROBLEMS OF LAND-LOCKED DEVELOPING COUNTRIES (continued) (E/1973/57 (parts I and II)); (TD/B/704)

25. The PRESIDENT said that, if there were no objections, he would take it that the Board agreed to take note of the UNCTAD secretariat report reviewing progress in the implementation of special measures and specific action related to the particular needs of land-locked developing countries (E/1973/57 (parts I and)); of

the arrangements for the United Nations Special Fund for Land-locked Developing Countries, adopted by the Governing Council of the United Nations Development Programme in its resolution 95/13; and of the UNCTAD secretariat report on ocean freight rates for land-locked developing countries (TD/B/...) and of the results of that report.

30. It was so decided.

ITEMS REQUIRING ACTION BY THE BOARD AT THIS OR FUTURE SESSIONS, OR RELATING TO REPORTS AND ACTIVITIES OF THE SUBSIDIARY AND OTHER BODIES (agenda item 5) (continued)
(TD/B(XVIII)/SC.1/L.9 and Add.1-4; TD/B/L.514; TD/B(XVIII)/SC.1/L.[illegible], L.12, L.13 and L.15; TD/B/L.[illegible], L.521, L.522 and L.523; TD/B(XVIII)/SC.1/L.[illegible])

Statement by the Vice-Chairman-cum-Rapporteur of the Second Committee

31. Mr. CHATTOM (Panama), Vice-Chairman-cum-Rapporteur of Sessional Committee I, introduced the Committee's report, as contained in documents TD/B(XVIII)/SC.1/L.9 and Add.1-4, drawing and completed by document TD/B/L.514 and explained the status of [illegible] action on resolutions which it had considered. The Committee had approved two resolutions concerning restrictive business practices (TD/B(XVIII)/SC.1/L.12) and preparatory work on copper (TD/B(XVIII)/SC.1/L.13) respectively. It had also approved two decisions, one relating to the intra-state programme for commodities (TD/B(XVIII)/SC.1/L.15) and the other to the provisional order of preferences: consultation procedure (TD/B(XVIII)/SC.1/L.14).

32. In addition, agreement had been reached during consultations within the Sessional Committee on the text, now submitted to the Board for adoption, of a draft resolution on the integrated programme for commodities (TD/B/L.521), and draft decisions on trade and industrial co-operation between developed and developing countries (TD/B/L.516) and on economic co-operation among developing countries (TD/B/L.517). Also before the Board was a draft resolution on tungsten (TD/B/L.523) which had not been considered by the Committee but on which, as he had reported, agreement had now been reached. Finally, the Group of 77 had submitted a draft resolution on the implementation of the terms of reference beyond the limits of national jurisdiction (TD/B(XVIII)/SC.1/L./Rev.1), on which agreement had been reached in the Committee.

Draft decision on trade and industrial co-operation between the developed countries and developing countries (TD/B/L.516)

33. The PRESIDENT said that, if there were no objections, he would take it that the Board wished to adopt the draft decision on trade and industrial co-operation between the developed and the developing countries (TD/B/L.516), the financial implications of which were set out in document TD/B(XVIII)/SC.1/L./Add.1.

34. It was so decided.

35. The PRESIDENT announced that draft resolution TD/B(XVIII)/SC.1/L.9 had been withdrawn.

32. Mr. BRECKENRIDGE (Sri Lanka), speaking on behalf of the Group of 77, said the decision just adopted would greatly facilitate a corresponding decision by the Permanent Committee of the UNIDO Industrial Development Board. The Group of 77 was confident that due recognition would be given by UNIDO to the efforts made by the Trade and Development Board to reach a decision which successfully concluded its part in the establishment of a joint UNCTAD/UNIDO Group of Experts on trade and trade-related aspects of industrial collaboration.

33. Mr. ZHIVKOV (Bulgaria), speaking on behalf of Group B, said that it supported closer co-operation between UNIDO and UNCTAD and had taken an active part in the search for an acceptable decision to promote such co-operation. An ad hoc UNCTAD/UNIDO Group of Experts would be useful if its activities were directed towards ensuring that UNIDO industrial development programmes and UNCTAD trade policy measures, including greater access to markets, particularly for new products resulting from the implementation of UNIDO programmes, ensured the balanced development of industry and trade in the developing countries. However, the paragraph added to the Sessional Committee's report by Group B (TD/B/L.[illegible], ..., para. 15) gave cause for concern. If it was the intention of Group B to participate in the work of the proposed ad hoc Group only for the purpose of examining the practice of countries in other groups without making a concrete contribution of its own, the advisability of establishing the Group became doubtful.

Draft resolution on the Integrated Programme for Commodities (TD/B/L.521)

34. Mr. CARVER (Turkey), Vice-Chairman-cum-Rapporteur of Sessional Committee I, said that the concluding phrase of the ninth preambular paragraph of draft resolution TD/B/L.521 had been omitted by mistake. The words "and recognizing the decision to reconvene the United Nations Negotiating Conference on a Common Fund under the Integrated Programme for Commodities in November 1979" should therefore be added after "Integrated Programme for Commodities".

35. The PRESIDENT said that, if there were no objections, he would take it that the Board wished to adopt draft resolution TD/B/L.521, subject to that addition.

36. It was so decided.

37. The PRESIDENT said that draft resolution TD/B(XVIII)/SC.I/L.11/Rev.1 had been withdrawn.

Draft decision on economic co-operation among developing countries (TD/B/L.522)

38. The PRESIDENT said that, if there were no objections, he would take it that the Board wished to adopt draft decision TD/B/L.522.

39. It was so decided.

40. Mr. BARCIA (Mexico) pointed out that in accordance with operative paragraph 1 of the resolution just adopted, the draft resolution on economic co-operation among developing countries submitted by the Group of 77 (TD/B(XVIII)/SC.I/L.6) was to be transmitted to the second session of the Committee on Economic Co-operation among Developing Countries.

Draft decision on tungsten (TD/B/L.523)

41. The PRESIDENT said he understood there was agreement regarding the draft decision on tungsten contained in document TD/B/L.523, the financial implications of which appeared in document A/33/15, Vol. I, Part Three, Annex III. Consequently, the draft decision on the same subject in document TD/B(XVIII)/SC.I/L.10/Rev.1 was withdrawn. If there were no objections, he would take it that the Board wished to adopt draft decision TD/B/L.523.

42. It was so decided.

43. Mr. ATHERTON (United States of America) said that his delegation wished to enter a reservation on the decision just taken. Since every proposal before the Preparatory Working Group had been rejected by at least one major participant in the tungsten market, his Government did not agree with the convening of two further meetings and an adequate basis for further discussions must be developed if the United States delegation was to attend such meetings. It was certainly premature to suggest that discussions on tungsten should proceed on the particular basis when there was no agreement between producers and consumers on the scale of reserves, the need for conservation measures or possible methods which might avoid [illegible] disruptive fluctuations.

44. Mr. [illegible] (France), speaking on behalf of [illegible], said that the Netherlands [illegible] that, as members of [illegible], those countries welcomed the [illegible] the successful [illegible] activities had made possible. The Board should give new impetus to consultations and preparatory work serving as [illegible] the climate of agreement that would warrant the convening of a negotiating conference. If possible before the end of 1978.

45. Mr. [illegible] (Austria) said that [illegible] as a producer of tungsten and [illegible] participated in all the sessions of the Committee on Tungsten, the [illegible] Intergovernmental Group of Experts and the Preparatory Working Group established under Board decision 165 (XVII). It was therefore familiar with the problems [illegible] during recent discussions on the subject and with the lack of progress made. There was no [illegible] of urgency and no sense of action to be taken in respect of [illegible]. The present situation did not augur for more [illegible] there was no [illegible] that [illegible] the Board. Instead [illegible] to project the future course of events. [illegible] decision 165 (XVII) [illegible] to request the Secretary-General to convene a second session of the Preparatory Working Group as an appropriate time and to have [illegible] in order to [illegible] the [illegible] between producers and consumers. He was [illegible] delegation's [illegible] that the [illegible] of the "decided" [illegible] operative paragraph of document TD/B/L.523 [illegible] privileged position [illegible] must be based on [illegible] agreement between the Governments of producer and consumer countries. However, in spite of the [illegible] his delegation had [illegible] the consensus [illegible] to stand in the way of [illegible] that seemed [illegible] possible to make progress towards [illegible] agreement even at the present stage and in order to [illegible] the spirit of co-operation which had prevailed in the discussions on the subject.

46. Mr. [illegible] (Japan), speaking on behalf of the [illegible] Republic of Germany and the United Kingdom as well as Japan, said that those countries welcomed the decision to continue the dialogue on the problems of the tungsten market and would play their part in those discussions. The concept of consultations was particularly important and should encompass consultations between governments aimed at developing a basis for that dialogue at future meetings. The Federal Republic of Germany, Japan and the United Kingdom had joined in the consensus on the understanding that any

decision to convene a negotiating conference would be taken only by agreement between producer and consumer countries, that an adequate basis existed for such action and that a successful outcome could reasonably be expected.

47. Mr. CLARK (Australia) said it was regrettable that the Preparatory Working Group had been unable to complete its work. His Government held the view, which had been stated by most producers and a number of consumers, that an international agreement on tungsten was both necessary and feasible. His delegation was therefore pleased that it had at least been possible for the Board to agree to the continuation of the dialogue on tungsten. After some 10 years of discussions on that commodity within UNCTAD, it was necessary, in the reasonably near future and following appropriate qualitative and preparatory meetings, to move on to the negotiating stage. Australia had therefore been able to support the draft decision just adopted.

48. Mr. LAFLEUR (Canada) said that, although it was joining in the consensus, his delegation believed that, given the complexity of the issues involved, it would be premature and inappropriate to [illegible] a negotiating conference at the present stage, since the failure to reach a satisfactory result could have unfortunate consequences for prospects of tungsten. However, the decision adopted by the Board would enable the Preparatory Working Group to [illegible] and would be [illegible] to proceed to the negotiating stage. His delegation hoped that that process would take place in time to [illegible].

49. Mr. [illegible] (Bolivia) said that the decision just adopted was the result of a compromise between the desirability of proceeding [illegible] and the stabilization of the world tungsten market. [illegible] hoped that the progress towards agreement [illegible] would not be delayed. [illegible] would have a severely limiting effect on the [illegible] of tungsten. His delegation [illegible] would help to stabilize the international tungsten market and to improve the terms of trade for the developing countries. He hoped that [illegible] would be achieved in the preparatory work for the negotiations.

50. Mr. [illegible] (China) said that his delegation supported the decision just adopted. Appropriate measures to promote a negotiating conference at an early date for the purpose of concluding an international agreement on tungsten would help to stabilize the international tungsten market and to improve the terms of trade for the developing countries. He hoped that [illegible] would be achieved in the preparatory work for the negotiations.

[illegible] (TD/B/(XVIII)/C.1/L.2/Rev.1)

51. Mr. [illegible] (Peru), introducing draft resolution TD/B/(XVIII)/C.1/L.[illegible]/Rev.1, which had been submitted by the Group of 77, observed that the draft resolution had already been discussed in Sectional Committee I. He therefore assumed that it would be adopted by consensus.

52. Mr. [illegible] (Federal Republic of Germany), speaking on behalf of the Group B countries, said that those countries had been encouraged by the growing practice of seeking by consensus within UNCTAD and had taken it as a sign of UNCTAD's increasing effectiveness as a negotiating body. It was profoundly regrettable that efforts to reach a consensus on the draft resolution had been abandoned and that it might now be necessary to have recourse to the procedure of voting.

. Mr. ZAROUBI (translation from Arabic), speaking on behalf of the delegations of the Group of 77 countries, said that those countries attached great importance to the question of the revitalization, the improved efficiency, and the reinforcement of the authority and role of the United Nations, within the limits of national jurisdiction. The participation of all States in the Third United Nations Conference on the Law of the Sea had been unprecedentedly large; together or a number of issues had, in fact, been successfully resolved. It was therefore necessary to continue the negotiations with a view to arriving at a comprehensive convention on the law of the sea. Eventually, the Group's position would be that of the majority of the States participating in the Third United Nations Conference.

. Mr. ARIAS (Peru) said that it was important that certain countries should not attempt to arrange matters unilaterally or to protect the international community as a whole was to be saved from the present General Assembly would have to take a decision on the draft resolutions.

. Lastly, Peru had always attached great importance to the question of the revitalization, the improved efficiency, and the reinforcement of the authority and role of the United Nations, within the limits of national jurisdiction. The participation of all States in the Third United Nations Conference on the Law of the Sea had been unprecedentedly large; together on

resolution

paragraph

64. Mr. CORNELL (Sweden) said that his country had not changed its position on the substance of General Assembly resolution 2574 D (XXIV), which it had supported. However, the question raised in the resolution just adopted should properly be left to the Conference on the Law of the Sea. Sweden's abstention in the vote in no way prejudged its position if the same matter was brought up in that Conference or in the General Assembly.

65. Mr. PARLAR (Turkey) said that his delegation had voted in favour of the resolution because it was convinced that the resources of the sea-bed were the common heritage of mankind. It hoped that the Conference on the Law of the Sea would develop rules which would be accepted and applied by the entire international community. However, its acceptance of the resolution, and of operative paragraph 2 in particular, was confined to the substance of the resolution itself and in no way implied acceptance of a new general principle applicable to all cases.

66. Mr. KUTANEN (Finland) said that his country's basic attitude towards the question of a moratorium on the exploitation of the sea-bed had been demonstrated by its vote in favour of General Assembly resolution 2574 D (XXIV). However, it had abstained in the vote on the resolution just adopted because the matter should be dealt with in the Conference on the Law of the Sea. The abstention should not be regarded as an expression of Finland's position on matters of substance.

67. Mr. GAYNOR (England) said his delegation had abstained on the vote because it considered that the Conference on the Law of the Sea, not the Board, was the correct forum in which to deal with the issues addressed by the resolution.

68. Mr. RAMLETAL (Norway) said that his delegation had abstained in the vote because his Government considered that matters relating to the law of the sea should be dealt with in the Conference established for that purpose. However, with regard to the substance of the resolution, his Government shared the view that unilateral national legislation on the exploitation of the sea-bed might have undesirable consequences and had no plans to introduce such legislation.

69. Mr. LACSINA (Austria) said that his delegation was in agreement with the substance of the resolution just adopted. However, it had abstained in the vote out of procedural considerations related to the further examination of the issues involved by the Conference on the Law of the Sea and because of his country's specific position in those negotiations.

70. Mr. HILLEL (Israel) said that his delegation had abstained in the vote because it was inappropriate to take a decision on a subject which was being dealt with in all its different aspects by the Conference on the Law of the Sea.

71. Miss PARKS (New Zealand) said that her country supported the "common heritage" principle enunciated in General Assembly resolution 2749 (XXV). However, her delegation had abstained in the vote on the resolution just adopted on the grounds that the Board should not take up matters within the terms of reference of the Conference on the Law of the Sea.

72. Mr. OSTENFELD (Denmark) said that his delegation had abstained in the vote because UNCTAD was not the appropriate forum in which to deal with substantive issues relating to the Conference on the Law of the Sea. However, its abstention should not be taken as prejudging Denmark's position on the substance of the resolution.

73. Mr. CASTILLO (Spain) said that his delegation, although sympathetic towards the substance of the resolution, had abstained in the vote because the Conference on the Law of the Sea was the appropriate forum in which to discuss the issue.

74. Mr. HALL (Australia) said that his delegation had abstained in the vote not because of the substance of the resolution, but because UNCTAD was not the appropriate forum in which to consider the issue.

75. Mr. SCHEIFER (Peru) said that the Board could not remain indifferent to the announcement by the Governments of certain States of unilateral actions that would jeopardize the aims for which UNCTAD had been founded. In the absence of an international régime and an international supervisory authority and without any sharing of profits among all countries, the exploitation of the sea-bed beyond the limits of national jurisdiction would not only constitute an abuse by the States engaging in such exploitation vis-à-vis other States but would adversely affect the prices of and markets for minerals produced on land, reduce the export earnings of developing countries and cause further very serious harm to the economies and trade of these countries. Such exploitation would widen the gap between rich and poor nations, because those lacking the necessary financial and technological resources would be excluded from the common heritage. What was to have been an unprecedented joint venture and a major instrument in the establishment of the new international economic order would become a regressive factor which would promote the hegemony of the most powerful States.

76. The resolution was a restatement in the economic sector, which was UNCTAD's sphere of competence, of the declarations made by members of the Group of 77 and other countries in the legal forum of the Conference on the Law of the Sea and might be followed by similar action in the political forum of the General Assembly. He hoped that the Governments of those States to which the resolution was addressed would reconsider their position and refrain from taking unilateral action which might have dangerous consequences for international relations.

Adoption of the report of Sessional Committee I

77. The PRESIDENT said that, if there were no objections, he would take it that the Board wished to adopt, for incorporation as appropriate in its own report, the report of Sessional Committee I (TD/B/XVIII)/SC.I/L.5 and Add. 1-11, as amended and completed by TD/B/L.514) and, in so doing, to adopt the various draft resolutions and decisions on which the Committee had agreed (TD/B(XVIII)/SC.I/L.12, L.13, L.14 and L.15).

78. It was so decided.

INSTITUTIONAL, ORGANIZATIONAL, ADMINISTRATIVE AND RELATED MATTERS (agenda item 7) (continued)

(g) DOCUMENTATION PROBLEMS AND THEIR EFFECT ON THE WORK PROGRAMME OF UNCTAD (continued) (TD/B/L.520)

79. Mr. BRILLANTES (Philippines) introducing the draft proposal set out in document TD/B/L.520, said it was a simple text which had no financial implications

90. Mr. HUTTEBRÄUCKER (Federal Republic of Germany), speaking on behalf of the Group B countries, said that the draft proposal had been circulated too late for the delegations of those countries to receive instructions from their Governments on the subject. He therefore requested that consideration of the matter should be deferred until the tenth special session of the Board.

91. Mr. PHILLIPPINES (Philippines) said that that course of action was acceptable to him.

92. The Board decided to defer consideration of draft proposal TD/B/L.[illegible] until its tenth special session.

(b) NOTIFICATION OF THE STRUCTURE OF THE RESIDENT MACHINERY OF UNCTAD (continued) (TD/B/L.512 and Add.1)

93. Mr. [illegible] (Colombia), speaking on behalf of the Group of 77, proposed that, in view of the need for further consultations with regard to draft resolution TD/B/L.512, consideration of the draft resolution should be deferred until the Board's tenth special session.

94. It was so decided.

(c) REVIEW OF THE CALENDAR OF MEETINGS (TD/B/L.[illegible], TD/B/L.[illegible])

95. Mr. HERRING (Director, Division for Programme Support Services) drew attention to the secretariat note (TD/B/L.[illegible]) containing a draft calendar of sessions for the remainder of 1978 and for 1979 and a tentative schedule of sessions for 1980 and 1981, and to document TD/B/L.[illegible], which incorporated a number of changes in the proposed arrangements. A further change would be required as a result of the recent decision to hold in Geneva a further session of the Conference on the Law of the Sea early in 1979, since General Assembly resolution 3067 (XXIX) stated that the Conference was to be accorded priority in relation to other United Nations activities, except those programmes established by the Charter of the United Nations. In order to accommodate the tenth special session of the Board before the Manila Conference, the Conference on the Law of the Sea would not start until 19 March 1979, but it would be necessary to hold the sixth session of the Intergovernmental Preparatory Group on a Convention on International Multimodal Transport from 26 February to 9 March 1979, if the Group decided at its forthcoming fifth session that another session would be required. The United Nations Conference on the Convention itself was scheduled to be held from 22 October to 16 November 1979, subject to the approval of the General Assembly on the results achieved at the forthcoming session of the Intergovernmental Preparatory Group.

96. The Board was requested to authorize an exception to the rule that meetings should be held in Geneva to allow permission for the resumed third session of the Interim Committee for the United Nations Conference to Negotiate an International Arrangement to Replace the International Wheat Agreement, 1971, as extended, to be held in London, where the International Wheat Council, which had offered to service the meeting, had its headquarters.

87. After the fourth session of UNCTAD in Nairobi, the Board had accepted the proposal of the Secretary-General of UNCTAD that attention should be concentrated on meetings under the Integrated Programme for Commodities and that neither the Permanent Group on Synthetics and Substitutes nor the Committee on Commodities should meet before the forthcoming Manila Conference. In view of the fact that the Integrated Programme had been extended to the end of 1979, the Board might wish to defer until 1980 the seventh session of the Permanent Group on Synthetics and Substitutes, scheduled for 1979, and to cancel the eighth session, tentatively scheduled for 1981.

88. Since the calendar of meetings would be reviewed at the Manila Conference, the secretariat would prefer not to make immediate proposals for the dates of the new meetings resulting from decisions taken by the Board at its current session. In any case, most of them would be held after the Manila Conference. They would, however, all appear under the appropriate heading in the calendar published by the secretariat after the present session of the Board. Finally, with regard to the programme of meetings under the Integrated Programme for Commodities, the Board might wish to note that arrangements had been made, after consultations with the Chairman of the Ad hoc Intergovernmental Committee and the regional groups, to hold the Fifth Preparatory Meeting on Copper from 15 to 30 October 1978.

89. Mr. STEVENS (United States of America) requested the Secretary-General of UNCTAD to consult with the Group co-ordinators about the possibility of holding a meeting on tropical timber from 18 to 22 December 1978, in place of the meeting on iron ore that might be postponed until 1979. It was the view of many delegations that tropical timber should be given greater priority under the Integrated Programme for Commodities and that the two iron ore meetings had been scheduled too close together.

90. Mr. ODA (Japan) supported the request made by the United States representative.

91. The PRESIDENT said that, if there were no objections, he would take it that the Board approved the draft calendar of meetings for 1979 and the tentative schedule for 1980 and 1981 set out in document TD/B/...406, as amended and supplemented by document TD/B/...919 and the statement made by the Director of the Division for Programme Support Services, and that it took note of the relevant financial implications (TD/B/...516).

92. It was so decided.

(j) FINANCIAL IMPLICATIONS OF THE ACTIONS OF THE BOARD (TD/B/...516)

93. The Board took note of the statement of financial implications contained in document TD/B/...516.

ADOPTION OF THE REPORT OF THE BOARD TO THE GENERAL ASSEMBLY (agenda item 9) (TD/B/...511 and Add.1-9; TD/B/(XVIII)/Misc.5)

94. Mr. ROUHIA (Iran), Rapporteur, introduced the draft report of the Board on its eighteenth session (TD/B/...511 and Add.1-9) and drew attention to the amendments to Annexes I, II, V and VI contained in document TD/B(XVIII)/Misc.5, which had been received too late for inclusion. In addition, the following

paragraph, submitted by the representative of China, should be inserted after paragraph 7 of document TD/B/L.511/Add.5, as revised in document TD/B(XVIII)/Misc. 5:

"The representative of China said that the Soviet Union, through the representative of the Ukrainian Soviet Socialist Republic, has slandered China as 'imperialist' and 'hegemonistic'. This was a case of the thief shouting 'catch the thief' and clever in the extreme. He added that imperialism and hegemonism were a self-description of the Soviet Union and that no distortion and slander by the Soviet Union representative could hurt China's foreign policy or cover up the wild ambition of the Soviet Union to launch aggression and expansion and to seek world hegemony."

95. The PRESIDENT reminded the Board that it had already adopted the reports of Sessional Committees I and II, which constituted chapters II and IV of its report. He suggested that the Board should authorize the Rapporteur to complete the report as appropriate and to make any necessary editorial changes to the text.

96. It was so decided.

97. The draft report, as a whole, as amended, was adopted.

SIGNATURE OF THE HOST COUNTRY AGREEMENT FOR THE FIFTH SESSION OF THE UNITED NATIONS CONFERENCE ON TRADE AND DEVELOPMENT

98. Mr. COREA (Secretary-General of UNCTAD) announced that on 14 September 1978, he and the representative of the Government of the Philippines had signed the host country agreement for the holding of the fifth session of the Conference at Manila in May 1979. The early conclusion of that agreement would greatly facilitate the preparations for the Conference and augured well for its success.

CLOSURE OF THE SESSION

99. After an exchange of courtesies, the PRESIDENT declared closed the eighteenth session of the Board.

The meeting rose at 4.25 p.m.

United Nations Conference on Trade and Development

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TRADE AND DEVELOPMENT BOARD

Tenth special session

SUMMARY RECORD OF THE 511th MEETING

Held at the Palais des Nations, Geneva,
on Monday, 19 March 1979, at 3.30 p.m.

President: Mr. MATEUS-NUÑEZ (Venezuela)

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Procedural matters

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(b) Treatment of new States members of UNCTAD for purposes of elections

(c) Announcement of any changes in the membership of the Board

Other business

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Corrections to the records of the meetings of the Board at this session will be consolidated in a single corrigendum to be issued shortly after the end of the session.

[illegible]

1. [illegible] the Board, and that the session was particularly important, since it coincided with the end of the Second United Nations Development Decade, the forthcoming fifth session of the Conference on Trade and Development, and the preparations for the Third Decade of Development. It provided an opportunity to evaluate the work of the past ten years, to formulate and rationalize development programmes, to review new insights in the light of experience, and to agree on [illegible].

2. General Assembly resolution 3/1 of 20 September 1974 had [illegible] by the Board at the sixth-[illegible] session of the provisional agenda for the fifth session of the Conference and set forth its views on the tasks of the Conference. The resolution in effect expressed the conviction of the international community that structural changes in the international economy were essential, since the present crisis was structural and could not be solved by temporary measures; and that the achievement of those objectives meant evaluating the economic and trade situation in the light of the interrelationship of problems in the areas of trade, development, money and finance, and the evolution that might be needed in the rules and principles governing international economic relations.

3. The need for a global strategy had been strongly emphasized by successive Secretaries-General of UNCTAD from the time of the second session of the Conference. Events had shown that the whole world was responsible, and that the whole world must act. The time had come for a decision which would really lead to effective action on the establishment of a new international economic order.

4. The provisional agenda for the fifth session of the Conference was designed to meet that purpose. It provided a balanced programme of work, with due attention to the essential structural changes in the international economy. A process of change, slow but sure, had been started in certain sectors, such as the Integrated Programme for Commodities, the generalized system of preferences, the international code of conduct on the transfer of technology, and the principles and rules and other issues relating to restrictive business practices; but further progress was needed in a wider context to include essential aspects such as the problems of protectionism and the unsatisfactory operation of the international monetary system. Action was also needed on the problems of the least-developed, land-locked and islands developing countries, and relations among countries having differing economic and social systems.

5. He then reviewed the provisional agenda for the fifth session of the Conference, stressing a number of points. In connexion with international trade, the problem of protectionism was aggravated by factors such as simultaneous recession and inflation in the developed countries, conflict between long-term and short-term objectives such as efficient production versus full employment, balance of payments, and competitiveness. In connexion with monetary and financial issues, the international

monetary system was not adjusted to reality and to the need to promote world trade and development. Regarding the Integrated Programme for Commodities and the Common Fund, firmer action was needed, with particular attention to marketing. Efforts must be made to improve the situation concerning technology and shipping, where negotiations had revealed a lack of understanding between the parties concerned, and also a lack of vision. A clear demonstration of political will, solidarity and understanding was needed in respect of the problems of the least developed, land-locked and island countries.

6. In connexion with relations between countries with differing economic and social systems, he recalled a statement by Mr. Prebisch at the second session of the Conference, stressing the importance of trade between the developing countries and the East and West countries. Financial co-operation of those developing countries was an important factor in the new international economic order. While the main responsibility lay with the developing countries, support by the international community, and especially the industrialized countries, was essential. UNCTAD had an important part to play, in particular through technical assistance.

7. Lastly, he stressed the importance of discussing items 9 and 10 together, since UNCTAD provided the means for both negotiation and implementation. The secretariat had suggested that the two items should be considered in a sessional committee during the Conference.

8. The provisional agenda was not submitted in order of priority. It was for delegations to decide on the relative importance of the items.

PROVISIONAL AGENDA (item 4 of the provisional agenda)

(a) ADOPTION OF THE AGENDA AND ORGANIZATION OF THE WORK OF THE SESSION (TD/B/AC.18 and Add.1 and 2)

9. The agenda and organization of the work of the session, as set forth in documents TD/B/AC.18/1 and Add.1 and 2, was adopted.

10. The PRESIDENT suggested that a contact group should be established, consisting of 19 members - three from Africa, three from Asia, six from Group B, three from Latin America, three from Group D, and a representative of the People's Republic of China. The contact group could, among other things, deal with the provisional agenda for the fifth session of the Conference. Any delegations interested would be welcome to participate in the meetings of the contact group.

11. It was so decided.

(b) TREATMENT OF NEW STATES MEMBERS OF UNCTAD FOR PURPOSES OF ELECTIONS

12. The PRESIDENT welcomed the delegations of the Solomon Islands and Dominica. In accordance with normal practice, until the Conference had adopted the necessary provisions in accordance with General Assembly resolution 1995 (XIX), as amended, the Solomon Islands would be considered for purposes of elections as forming part of the group of countries included in part A of the annex to that resolution and Dominica as part of the group of countries included in part B of the annex.

13. It was so agreed.

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page

(...) ADMISSION OF NEW MEMBERS TO THE MEMBERSHIP OF THE BOARD

1. The PRESIDENT informed the Board that at the conclusion of the eighteenth session, the Board had been composed of 117 members. In accordance with paragraph ... of General Assembly resolution 1995 (XIX), as amended, Upper Volta has indicated its wish to be a member of the Board. If there were no objections he would take it that the Board agreed that Upper Volta should be a member.

2. It was so decided.

(ITEM NUMBER (agenda item ...)

16. The SECRETARY informed the Board that the Government of Cuba had expressed the wish that the Sixth Session of the Conference should take place at Havana.

17. The Board took note of the invitation with appreciation.

18. Mr. L. HUTTER (Federal Republic of Germany), speaking on behalf of Group B, informed the Board that Mr. A. Tolovsky, Vice-President for Austria, had left Geneva, and said he would like to nominate Mr. Klaus Zuglian, Director of the Federal Ministry for Foreign Affairs of Austria, to replace him.

19. Mr. Zuglian (Austria) was invited to take his seat.

The meeting rose at ...50 p.m.